

**THE FAULT LINES OF CONTRADICTION:
NATIONAL IDENTITY AND CINEMATIC CONTENT**

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The Fault Lines of Contradictionⁱⁱ: National Identity and Cinematic Cultural Content

“Art reveals the fault lines in our culture and can also reinforce our prejudices.”~ Greg Sadowⁱⁱⁱ

Introduction:

Watching the credits roll, cinematic audiences around the globe are increasingly experiencing the effects of globalization. Recently, a Bollywood type film, “Bride and Prejudice,” was released in mainstream American theaters. Featuring an Indian female and an American male lead, the film was an updated version of Jane Austin’s famed English Victorian novel Pride and Prejudice. The work was shot in India, Britain, and America in English with smatterings of Hindi, and masterfully combined elements of the original work with Indian and American cultural components. While this film can arguably be categorized as an Indian version of a British story, it indicates a trend of increasingly receptive audiences to multi-cultural films that are difficult to classify as being of a particular nationality.

As far back as 1985 film critic Geoffrey Nowell Smith stated, “A number of recent major films have had no nationality in a meaningful sense at all”^{iv} In 1988 the identification of film nationality became so problematic that the premier international film festivals at Cannes and Venice had to dispense with national labels and list films according to the director’s last name. Today a film’s nationality can vary according to the distributor’s convenience or legal advantage and co-productions have strict rules about creative talent, authorship, location, and support to qualify films for national identification.

On the international scene the largest producers and distributors of film originate from Hollywood (America) and Bollywood (India). While Bollywood far out produces the rest of the world, Hollywood has the most extensive distribution channels; In 2004 Hollywood’s

international theatrical revenue was 51.6% of its total box office revenue^v leading to the logical conclusion that the consumers of American films are becoming more diverse. The production studios themselves are becoming increasingly globalized with cross-cultural ownership of studios. Some examples of multicultural influences include the Japanese company Sony's purchase of Columbia; Matsushita's acquisition of MCA/Universal; Australian media baron Rupert Murdoch's controlling interest in Twentieth Century Fox—and many smaller co-ventures are in progress between American, European, and Japanese companies.^{vi} Often these collaborative films lead to more diversified audiences that transcend traditional cultural and geographical boundaries as well as national prejudices such as the American relative cultural bias against subtitles.

However, there is a growing backlash against open access to cultural markets in response towards what is perceived as globalization's homogenizing cultural forces. These effects are often interpreted as American cultural imperialism since American cultural industries have captured the majority of the market share. In particular, American films have proven to be very successful in penetrating between 60-90% of most domestic cinema markets despite language limitations.

Film is classified as one of the creative industries, commonly defined as the “copyright” industries; those industries that produce goods or services which combine the creation, production, and commercialization of contents which are intangible and cultural in nature. These industries are usually protected by copyright and include printing, publishing, multimedia, audio-visual, phonographic, cinematography, crafts, and design.^{vii} Creative industries are unique in that they constitute a hybrid between culture and industry. Despite their cultural role in reinforcing

nation state identities, their economic role cannot be ignored as these industries are estimated by UNESCO to reach \$1300 billion in trade by 2005.^{viii}

Over 40 nations actively perceive a need for state intervention in relation to the cultural industries to protect their symbolic role and cultural identity from outside cultural influences that are facilitated by open borders. France and Canada are leading these nations in the fight to “preserve” cultural diversity through the legitimization of cultural exemptions to supercede previous and future free trade commitments in the WTO, GATT and other like agreements. In this debate, France has established itself as the loudest champion of protective economic measures towards cultural content in efforts to protect its national culture, values and identity, as defined by the state, from the perceived threat of American cultural imperialism.

France’s moral ground in advocating cultural identity as expressed through cultural content has several large fault lines which weaken its position and lead to the conclusion that the issue at hand is really one of economic competition rather than of cultural identity. Amidst the scenery of France’s changing sovereign role and demographics, this paper utilizes a recent case study of eligibility for French national film subsidies to highlight the contradictions in the French position between the leading role it is taking to preserve local voices and its inconsistency in applying its own standards of judging “Frenchness.” The recent revocation of a subsidy and elimination of eligibility in the Cannes Film festival for the 2004 released film, “The Very Long Engagement”, suggest that special economic interests have corrupted and undermined France’s argument, based on its desire and need to preserve a space for its culture, for cultural exemptions

A Contradictory Case Study:

In 1991, French author Sebastien Japrisot published “Un Long Dimanche de Fiançailles” (henceforth referred to as “The Very Long Engagement”), a story of a young French woman who embarks on an investigative trail to discover if her fiancée had truly perished in the trenches of WWI. In 2004 the film, which remained true to the original story, was released. The work, which was the third most expensive French film ever produced, employed over 2200 people including 600 French technicians, 80 French actors, and 1500 extras for more than two years.^{ix} All of the major creative talents were French: the director was French, the cast (save Jodi Foster who spoke impeccable French) were French, the language of the film was in French, it was filmed in France and it was produced by a co-production whereby the majority partner was French. On the 100 point scale of which only a 25 (20 with special permission) must be achieved to receive a subsidy, this film scored 98 out of 100^x and thus was granted a subsidy by the Centre National de la Cinematographie, a body authorized by the Cultural Ministry of France for that purpose.

In late November of 2004, a French administrative court in Rennes ruled that the film, because of its connection to 2003 Productions which is affiliated with the “American” studio Warner Brothers, was “not French enough” and revoked the subsidy. The decision was fueled by special interests represented by French producers including Pathe and Gaumont and the Association of Independent Producers who argued that “2003 Productions is merely a ‘Trojan Horse’ for Warner Bros, intended to divert French funds for the benefit of Hollywood.”^{xi} The ramifications were not just about finances. The court’s action’s also rendered the film ineligible for the 2005 Cannes film festival held at the end of February because films must not be filmed

outside their country of origin prior to the festival and the film had been distributed in France, determined not to be the country of origin, in November of 2004.

Jeunet, the furious director, responded with the charge that: “It’s just a case of commercial competition....The producers are obsessed because there’s a new studio and they don’t want to share the cake. It’s very cynical, very hypocritical....Oliver Stone’s movie *Alexander* is French- his mother is French and he did the post-production in Paris so it’s French, no problem. And this one is not French, can you believe it?”^{xii}

Ironically, according to Business Online, “Warner Bros, the studio owned by Time Warner, has reaped perhaps the largest dividends from international audiences in recent years with films such as the Harry Potter series, *The Last Samurai* and *Troy* earning more outside the US.”^{xiii} Thus *Troy*, which is evidently less French than *The Very Long Engagement*, is associated with the very same studio for which the latter film’s association cost the film its French nationality.

How could such a thing happen in a nation who takes a proud heavy hand in defining Gallic national culture; a nation who is supposedly devoted to supporting, disseminating, and preserving that culture? Does the fault lie in the increasing complexities of determining a film product’s national affiliation based on an outdated subsidy eligibility system, or is the greater problem that of state interference between consumer and product and the loopholes created where special economic interests can take advantage of the system? Have economic interests simply proved more powerful than the moral argument that France claims for the protection of cultural identity; or is it simply a case of prejudice and rivalry against the United States?

Defending National Culture & Diversity:

There is an important correlation between a country's attitude towards culture and how each country seeks to protect their economic and symbolic power. The potentially largest tool in France's arsenal to protect and support French culture is the *Convention on Cultural Diversity*. In October of 2005, the Director General of the United Nations Educational, Scientific and Cultural Organization (UNESCO) will submit a final draft of the *Convention on the Protection of the Diversity of Cultural Contents and Artistic Expression* (Convention on Cultural Diversity) to the General Conference. Derived from UNESCO's recognition that "the protection of cultural diversity is closely linked to the larger framework of the dialogue among civilizations and cultures and its ability to achieve genuine mutual understanding, solidarity and cooperation"^{xiv}, the document's "ultimate goal is to give all countries the means to protect and promote the diversity of cultural expressions within and outside their borders"^{xv} in a way "complementary to, rather than in competition with pre-existing international legal instruments."^{xvi} The Convention deems of equal importance the "cultural and economic aspects of development and the specific nature of cultural contents and artistic expressions; in other words the dual cultural and economic nature of the goods and services to be covered by the Convention."^{xvii}

The proposed Convention on Cultural Diversity intends to ensure states' "capacity to develop and implement measures to support diversity of artistic, linguistic and cultural expression, within and among nations; and taking into account the potential impediments to these goals that may arise from international trade, investment and services disciplines."^{xviii} These measures include financial support through subsidies and grants, and preferential treatment to national forms of cultural expression through quotas to ensure local content. The general consensus is that any useful instrument on cultural diversity will need to be legally binding to

insure that “cultural goods and services must not be treated as mere economic commodities as has been the case when trade liberalization policies and those necessary to achieve non-commercial cultural objectives”^{xix} have defined them.

The document is significant to a larger discussion of whether or not a country participating in the World Trade Organization (WTO), regional economic cooperation, and free trade agreements can both retroactively and continue to exempt cultural industries. In contrast to those in support of cultural exemptions, the American perspective is that international cultural diversity efforts, although couched in language promoting the protection and cultivation of national resources and identity, primarily establish a pretext for justifying cultural exemption policies in trade agreements and thus the economic benefits of member states rather than the assurance of cultural diversity. America believes that the proposed document creates a framework to support national agendas and special industry interests’ protection while innovative ideas are stifled without the stimulus of competition.

The fundamental argument for cultural diversity values culture as a “public good” with a vested interest in preserving national ideas, identity, and heritage from the outside influence on domestic markets. But, justification of the “public good” is based on a definition and selection of the “public interest” as defined by governments and often special interest industries and thus is not necessarily a true representative of individuals who vote with their pocketbooks. The idea of “public” is flawed further by the reality that within specific communities exist internal tensions between preservation of a collective culture and a new generations’ interpretation and assertion of their collective and individual identities.

The counter argument against the essential importance of maintaining national cultural identity and heritage against the tides of homogenization is that this is a priority unsupported by

historical precedent or global realities. France's interest in maintaining national cultural identity and heritage against the tides of homogenization is an understandable priority, but is unsupported by historical precedent or global realities. This viewpoint presupposes that the individuals of the world who exercise their choice and creativity will be forced into the same mold and choices and that local culture will be distorted if not rendered extinct by the powers of globalization.

In contrast, Mel van Elteren in *the Journal of American Culture*, puts forth the idea that in modern times, "a national culture" is never purely locally produced; it always contains the traces of previous cultural borrowings or influences which have been part of a thorough assimilation process and have become "naturalized."^{xx} Tyler Cowen supports this idea and relates it specifically to French cinema: "French cinema has never been culturally pure, Gallic product. Foreigners not only influenced many of the best-known "French" films, they also directed them....French filmmaking has been so diverse throughout its history that fascist Vichy propaganda during World War II attacked it for being too cosmopolitan and insufficiently "French."^{xxi}

In his book, Creative Destruction Cowen argues that it is the ability for influences to permeate culture that actually advances diversity through choice. He identifies four relevant notions of diversity which provide a key: diversity across societies, diversity within society, diversity over time, and operative and practical diversity which "refers to how well we take advantage of the diversity out there."^{xxii} He believes that even though a globalized world will "alter or disrupt many particular cultures"^{xxiii} the benefits of globalization to provide diversity within cultures and stimulate innovation justifies the loss. Cowan's argument for open cultural borders is based on several principles of cultural enrichment through trade: access to new technologies and principles, stimulus of a larger global market for greater specialization and

niche production, and finally, inspiration from foreign arts.^{xxiv} He concludes that, “Modernity destroys so many cultural communities only by creating so many in the first place.”^{xxv} However, even as he provides a strong argument for the benefits of globalization, Cowan recognizes one exception is that of excess clustering, “where one country’s industry dominates the world market.”^{xxvi}

The perception of global homogenization by American pop culture domination is the catalyst that has motivated international organization for the creation of an instrument to ensure cultural diversity. At the heart of the matter are the attributes of considering culture as a commodity and the effects of cultural messages when they are conveyed through commercial mediums. Cultural commodities share the characteristics of high fixed costs but marginal reproductive costs and are not used up in the act of consumption. Ivan Bernier, a Canadian international trade expert, explains the unique identity of cultural industries further; “Cultural products are seen as assets which convey values, ideas and meaning, or in other words, instruments of social communication which contribute to fashioning the cultural identity of a given community.”^{xxvii}

As information highways become developed and distribution channels evolve through new mediums, countries motivated to protect a social or national identity feel strongly that they have no alternative but to separate culture out of trade in order to provide a “space” for local voices. Herman and McChesney support this argument in their book The Global Media by including a weakening public sphere, and the degradation of local cultures in their list of possible negative externalities of the commercialization of culture and the media. Concerns about media ownership concentration of radio, television, and print media have been heightened even in the United States. These private and often multi-national cultural industries are motivated by profit

and thus have self-interest in providing content that is commercially profitable and accessible to a large audience. Media and cultural industry consolidation represents a division between private interest and public interest and national policies have affecting them have an impact on the culture in terms of guaranteeing impartiality of the source, access to information, and diversity of ideas.

From the perspective of the consumer, it is important to realize that consumption of cultural goods is limited and thus the quality of the product in variety, diversification, dissimilarity and multiplicity are important values when marketing a cultural product. The link between consumer demands and content is sometimes why the consumption of cultural products has sometimes been (erroneously?) associated with the use of leisure or simply with recreation or entertainment.”^{xxviii} “The necessity to supply an ever-growing volume of diversity and variability in culture, as incomes rise, and the amount of free time increases, implies that ‘local’ reservoirs of symbols, myths, images, and messages cannot supply the demands placed on them,” causing local content to hold less resonance.^{xxix}

Cultural Imperialism: American Market Penetration

Despite state intervention and policies to encourage domestic content, American cultural products resonate with global audiences and as such the United States is largest global exporter of the cultural industries. Revealing, the United States categorizes such economic activity as the “entertainment” industries and as a sector they are the largest American industry employing more workers than the defense industry^{xxx}. It is the conceptual definition that focuses on entertainment rather than a cultural concept that creates tension between the U.S. and other countries seeking to carve out a market niche for national ideas.

The exposure and monopoly of its domestic markets to U.S. cultural products, and retaining market share for national cultural goods is of profound concern to the French government. To understand fully the implications of US domination within these industries the scale and breadth of influence must be realized. The United States controls 75% of global television markets, 90% of motion picture markets in some regions including Canada, and 60% of the domestic French cinema market which has only reserved a space for French and European content through quotas. Canada's parallel policy of utilizing quotas in its music industry has resulted in a reservation of only 30% for Canadian content with 70% of Canadian music markets containing American content^{xxx} Canada's geographic proximity to the U.S. and its shared language even more clearly highlights the same concerns that France is articulating as its markets are the most saturated by American cultural products.

The chart below clearly illustrates the origin of Canadian and other nations' concern for foreign dominance within their markets.

Foreign Share of Canadian Cultural Markets: Source: Keith Acheson and Christopher Maule. *Much Ado About Culture: North American Free Trade Disputes.* University of Michigan Press: 1999. P. 16

<i>Percentage Foreign</i>	<i>In these Canadian Markets</i>
95	<i>Feature films screened in theaters</i>
70	<i>Music on Radio Stations</i>
84	<i>Retail sales of sound recordings</i>
69	<i>French language retail sales of sound recordings</i>
60	<i>English-language television programming</i>
33	<i>French-language television programming</i>
85	<i>Prime-Time drama on English-language television</i>
75	<i>Prime-time drama on French-language television</i>
70	<i>Book market</i>
83	<i>Newsstand market for magazines</i>
81	<i>English-language consumer magazines</i>

While Canada's proximity to the U.S. brings a greater exposure and gravity to their concern of cultural imperialism, far less wealthy nations share the same concerns as their distribution channels can not compete with the United States worldwide reach. This threat has driven many countries to use protectionist measures in order to preserve their national culture and identity from cultural imperialism. Quotas often are the last defense in the market against U.S. entertainment goods, while other measures include levies on U.S. products to provide funds for the creation of national works. The strength of those willing to preserve their right to counter against American entertainment and cultural goods was evident with the fate of the Uruguay General Agreement on Tariffs and Trade (GATT) round hinging on the exclusion of the creative industries. GATT is specifically structured so that countries can protect audio-visual services from trade-liberalizing measures by opting out which France decided to take advantage of.^{xxxii} The Europeans used the 1989 Canadian-American Free Trade Agreement as the established precedent for such action.^{xxxiii}

Although recently the topic of quotas for cultural products has reached new levels of drama, there is a long history preceding GATT on both sides of the Atlantic of "public and private actions to restrict market access and promote domestic production of films. Government quotas and taxes restricted trade, as did private boycotts, while governments provided funding to assist local production."^{xxxiv} When GATT was negotiated in 1947 screen quotas were permissible in response to the American growing dominance in film that began during the interwar period. Films were recognized as a way to promote national trade and American cultural dominance had reached such a height that in 1926 only 5 % of films shown were made by British companies employing British artists. Europeans struck back with quotas and other

means of promoting their national industries. The U.S. response was to circumvent the quotas by establishing American firms to qualify as local production, a move often encouraged by the host European countries.

Even with over 50 years of protectionist measures, the U.S. influence is clearly felt worldwide and its cultural industries are not severely threatened by such actions. Thus, the marshaled cultural defense in a time of murky definitions and a clear U.S. advantage cannot be attributed simply to just an overreaction by nations jealous of U.S. economic power. Provided that there is a need to reserve space for local culture, the next issue crucial to the debate is how far should a state's sovereignty extend over the cultural domain? In a world where the role and identity of states are changing how can democratic governments whom have the obligation to represent the interests of their constituents successfully intervene to define and then preserve "culture."

The Role of the State: Crafting National Identity

France's membership within the European Union proves an excellent example to examine the changing role of the state. The snowballing efforts of European unity, motivated by economic strategy to remain competitive in an increasing interactive financial arena, have forced European nations to rethink the concepts of community, culture, and identity. The European Union's deliberate attempt to create a single market and eliminate barriers to trade, including culture, among its members is challenging European nations' individual ability to protect their culture. Philip Schlesinger tells us that, "In constructing a new sense of European identity expectations have "centered on the audiovisual media of television and the cinema. These are the principal contemporary diffusers of popular culture, and they are surrounded by assumptions

about their implications for the exercise of political, economic, and cultural power.”^{xxxv} In 2004, the European Culture Commissioner announced to the press that European support for film and audio-visual services would rise from 500 million to over a billion based on the rationale that “audio-visual works represent the main factor for the transmission of cultural, social and democratic values.” She added that the specific policy objective was to widen the market for European content so that the number of films traveling abroad would increase from 10-20%.^{xxxvi}

Simultaneously, France is fighting for each nation’s prerogative to establish their own guidelines for protection of culture and preserve cultural diversity across societies even as it engages in the new efforts of the European Union. But within France itself there are cultural sub forces and voices driven by the individual’s search to find meaningful cultural identity that are challenging the state’s secular view of culture. In his essay on *Brazilian Television and the Role of the State*, Straubhaur asserts that: “People are increasingly acquiring multilayered identities that correspond in many ways to the multiple layers of world media: global, cultural-linguistic-regional, national, provincial, and local. These layers of identity, framed by language, cultural history, and personal cultural experience, define markets for culture in ways that even global firms must respond to. The state and national media are still powerful in this process, because through schooling, national media, language policy, and national organization of institutions like militaries, education, and commercial associations, the state in many countries continues to reinforce and define these nationally based conceptual frames.”^{xxxvii}

Traditionally nation building has centered around a common ethnicity, religion, language and history, but defining national culture has always been a thorny thicket to navigate. One concept is that of the “notion of culture as the spirit of a people” with “self-contained moral universes that define values, practices and identities.”^{xxxviii} Another expresses the idea as an

ethos, a “special feel of flavor of a culture...a shared cultural matrix for interpretation, rather than a narrow conformity of opinion.”^{xxxix} UNESCO offers “that culture should be regarded as the set of distinctive spiritual, material, intellectual and emotional features of society or social group, and that it encompasses, in addition to art and literature, lifestyles, ways of living together, value systems, traditions and beliefs.”^{xl} Ray Wagner offers the caution that providing a definition of culture is done within the context of one’s own culture and thus cannot be truly objective or free from the self-identification process.

Despite state advocacy of particular symbols, stories, and viewpoints, individuals will find their own definitions of identity in ways that are useful and relevant for themselves. A mandated definition of certain aspects or notated cultural heritage can never be complete or indicative of the true wealth of a people. “Collective Identities are relatively fluid constructions rather than eternal essences....The construction of a collective identity also generally involves active strategies of inclusion and exclusion whereby the boundaries of a given collectivity are policed. Hence, collective identities may be sustained not only by the auto-identification of a group but also by hetero-identification.”^{xli}

In the past a shared cultural national identity was an important component of concentrated power and political stability. In her analysis of French cultural policy, Eling concludes that “France is unique among liberal democracies in the extent to which cultural policy is invested with an ideological ‘mission’ and supports this by quoting Saez (1993.p.69),

French political culture...is based on a system of integrationist values; this system has established participation in culture, under the control of the state, which thus acts as the guarantor of democratization, as one of the most important ways of acceding to citizenship.”^{xlii}

The founding mission of France’s Ministry of Culture was “to make the great masterworks of mankind, and above all of France, accessible to the greatest possible number of

Frenchmen, provide the largest possible audiences for our cultural heritage, and encourage the creation of works of art and of the spirit which will enrich it.”^{xliii} But despite the emphasis on shared cultural symbols like cheese, wine, the comic books featuring Asterix & Obelix, *liberté* and *fraternité*, there are many subgroups in France with strong local and regional ties and identities evident in dialects, ways of life, and political views that supercede their ties to a national culture.

France currently is confronted with the interpretation of its value of secularity which has been the country’s solution to multiculturalism. France continues to ban Muslim women from wearing the headscarf in public places like schools and businesses. With a rising Muslim population that based on the last census has reached 20% of the population, a clear change from the traditional Caucasian, catholic population, it becomes clear that France’s cultural identity is changing and that the state’s mandated national culture is not adequately recognizing the individual cultural affiliations of its citizens.

At the heart of the debate surrounding cultural diversity and a key concern of France’s efforts towards defining national culture is that of cultural survival. In fact, France’s Académie Française, “an association of scholars and writers founded by Richelieu in the seventeenth century with the aim of preserving the purity of the French language”^{xliv}, has gone so far as to define which words are and are not French. But cultural survival as a static unchanging identity is a fairy tale. “Invoking an absolute “right” to one’s culture involves too strong a moral claim, given that cultures are both synthetic and ever changing.”^{xlv} Culture and heritage are increasingly divorced from geographic territory as the number of powerful diasporas throughout the world signify. The divorce from property becomes more common with successive generations and should not deny an individual their sense of identity if they feel connected to

tradition and a community from which they are descended. Specific ethnic populations thus find themselves changed not only by external forces, but the division between young and old.

On the other hand there is much evidence that “despite five centuries of relentless pressure, many core elements of native cultures retain their vitality.”^{xlvi} The current thought on preserving culture is a total heritage approach with culture’s merits linked in a static, frozen historical plane, albeit safeguarded from exploitation, as represented in the UN commissioned Protection of the Heritage of Indigenous People (Daes Report.) The report goes as far to advise “native peoples to itemize their cultural resources”^{xlvii} and “takes for granted that indigenous people are not part of any public other than their own enclosed conceptual universe and the piece of territory to which it belongs.”^{xlviii} In direct contradiction to the Daes Report, there is ample proof that “indigenous societies include a growing number of intellectuals and political leaders equipped to move with agility from one social world to another.”^{xlix} This same concept is relevant to any ethnic group as individuals have increasingly more options of mobility through the internet and new technologies.

Cultural survival and adaptability are not mutually exclusive. One definition or aspect of culture does not fit all. “Native rights activists often reject notions of culture rooted primarily in language, religion, co-residence, or shared leadership [the traditional tenants of national identity.] What remains are things such as collective sentiments and oral traditions shared by networks of friends and kin-a diffuse basis for asserting a distinct social identity that collectively merits recognition as a ‘nation.’”¹ All elements of any culture will not remain static and in order to thrive must change according to its members’ needs and growth. The destiny of a people and the vital essence of their heritage and culture must be collectively decided by that people and not defined by outside forces intent on exploiting the system for their own growth.

In Mass Media and Free Trade, McAnany and Wilkinson offer that. “Yet it is ever more difficult to find intellectual justification...to support the belief that a nation’s audiovisual products can somehow be an authentic expression of the culture of that nation and so affirm that culture among its recipients. It is clearly the notion of national culture that is the weakest link in the argument. National culture glosses over not only ethnic cultural differences within a nation but other basic kinds of social differences such as gender and class.”^{li}

“The forgotten voice in these debates is frequently the consumer (reader, viewer, listener), although it is often consumer preference for foreign content that drives the policy process to try to alter that choice by promoting domestic content. When domestic content is subsidized, the taxpayer is left to pay for the outcome and told that national unity, identity, and sovereignty are being enhanced.”^{lii} The American culture wars illustrate the point that art and culture can prove to be divisive and reveal prejudices rather than a common interpretation and collective identity. While many art supporters would argue that in this case the works in question served its purpose by creating a reaction and pushing people to question their values and perspective, there was clearly resistance to the role of the state in categorizing the works as art and supporting them with tax payer dollars. This situation reveals the truth in Schlesinger’s theory of the fallacy of distribution, which refutes the assumption that making available and consumption of the same cultural product leads to a collective interpretation and identity on the part of those who consume it.^{liii}

Thus it can be seen that France’s arguments for cultural diversity are directly contradictory to the compromises in identity that it is making through its membership and cooperation within the European Union. Furthermore, its inability to recognize internal diversity within its borders severely weakens its argument that nations should be allowed to determine the

means through which to protect and promote the diversity of cultural expressions within and outside their borders as is stated within the Convention for Cultural Diversity which recognizes human and cultural rights.

Based on France's current policies, however narrow in their interpretation of national identity, the *Very Long Engagement* due to its theme, historical element, and distinctly recognizable French characteristics, would have been a safe bet for all the traditional elements of defining national culture and its wide distribution and popularity specifically serves the mission of the Ministry of Culture to "provide the largest possible audiences" for French products. Promoting such a film through French support would serve the government's desire to protect a French voice, to distribute a French story and perspective, and employ French creative workers for which the extensive subsidy system was created. Why then did the subsidy system fail?

Mapping the System: Incentives and Impediments

Government intervention is justified in order to correct a market failure. France supports the view that deficiencies of market forces to determine outcomes can be corrected by measures such as subsidies and quotas.^{liv} France has determined that the fact that its markets do not provide a monopoly of French cultural products to be such a failure and as such employs the standard strategies of protectionism that include financial support through subsidies and grants, and preferential treatment to indigenous or national forms of cultural expression to ensure local content. The current French strategy incorporates cinema taxes called the valued added tax (VAT) at 17-19%, a quota system which restricts American films to 60% of the market, and an extensive subsidy for cultural productions.

Subsidy laws in France, Italy, Great Britain and other European countries were designed so that only national films or qualified co-productions would receive subsidies. Typical requirements had to do with the nationality of the production company and of the filmmakers. However, a locally based subsidiary of a Hollywood company would be considered French, Italian, or British for the purpose of subsidy.^{lv} Film subsidies can either support the commercial side by returning a bonus to the producers based on a percentage of gross receipts in national market, or by pre-sale of TV rights to state controlled TV network. Also subsidies support quality or artistic films by providing production funds or giving monetary funds to finished films.^{lvi} France uses both but since 1953 legislation has existed that subsidies must be based on quality.

France, like many other nations, has been forced to recognize that often artistic product is achieved through collaboration. The economics of film often require partners to support the production of the work which requires a large initial investment. France and Italy are the countries who most frequently collaborate with foreigners and in France the number of co-productions in a given year has at times been greater than the number of strictly national productions.^{lvii} Co-productions while becoming a more popular way of doing business make it increasingly difficult to determine to which nationality it belongs to.

Three basic types of co-productions often regulated through country treaties are: official co-productions, twinning, and co-ventures. Official co-productions require that where each partner must make an “effective creative, artistic, and technical contribution to the production” which is in proportion to their financial contributions. Minimum financing shares are between 15-30% with revenues split proportionally according to investment shares. Twinning productions occur when separate national production teams collaborate for a final work with projects of equal

size and type. These works are eligible for domestic production status and domestic content rules which allow them to benefit from government grants and tax incentives.^{lviii} Co-ventures are characterized by their lack of a treaty. There must be a domestic producer or co-producer and the arrangement allows distributional assistance with outside producing expertise, marketing connections, and flexible funding.^{lix} Acheson and Maule remind the reader that twinning and co-ventures are industrial policies aimed at promoting the industry of culture and not national culture itself.

In the 1980's the rules for co-productions were modified so that the director, writer, cast and crew could come from any European Economic Community member.^{lx} Many prestigious European films are co-productions involving two or more European countries with financial support from an American distributor.^{lxi} But, "collaborations between American and European companies are not, strictly speaking, co-productions because they are not structured by specific government-to-government agreements. Also, an American-European collaboration doesn't offer the same kind of reciprocal subsidies available in Europe because the United States doesn't subsidize film. However, American companies can still benefit from the double or triple subsidies of European co-productions, either by working through a European subsidiary or by investing in a film produced by European companies." Sometimes American involvement is clearly stated in the credits and other times not in order to disguise and remain eligible for European subsidies."^{lxii}

Thus, the charge that the film is not French because it was not fully funded from French sources and therefore should not be eligible for French subsidies^{lxiii} rings false. Annually, over 150-200 films categorized as of being of French identity are made which is determined by extensive formulas and includes as eligible many co-productions that include artistic, production

and distribution partnerships that have American ties. In 2003 the Centre National de la Cinematographie subsidized the French film industry with 475 million Euros. Producers are eligible for .74 Euros per sold cinema ticket up to 500,000 and then .65 Euros over 500,000 through 5 million. The 3.3 million Euros that *The Very Long Engagement* would have received seems an appropriate expense for the French government to underwrite as it would have covered the distribution of the film within France.

France's subsidy system is highly sophisticated. (See Appendix A) It addresses co-productions, and provides for many different types of collaboration while still defining the work as French. The subsidy system ranked the film to be 98 out of 100 on the subsidy system which takes into account production houses. France's system for eligibility is clear and rational. So why did the state decide to overturn its eligibility and take from the film its national identity?

The Economics of Culture:

As the economic contributions of the creative industries increase annually the attention paid to issues of cultural protectionism in global markets will only increase. "It is crucial to appreciate that linguistic and cultural factors are determinants in the formation of audiences or markets, both domestic and export, and hence have to be considered as having their own level of economic effects."^{lxiv} Many economists argue that on top of language barriers protectionist measures that sovereign nations are taking to interfere in the domestic industries which provide culture are actually detrimental to the industries they hope to support because in that they lose competitive vitality so that "protection actually decreases an industry's chance of competing successfully in world markets."^{lxv}

Within the cultural production ecosystem there are many diverse constituents with

different agendas and so protection efforts in France cannot be separated from the special interest groups who have a stake in federal funding. “Protectionist forces tend to be strongest among producers of content such as authors, film, and television producers, and music composers, especially when they face import competition. Those providing carriage services tend to seek out the content that will earn them the most money. They have little incentive to distribute national content unless it is financially rewarding. Thus, booksellers, broadcasters, newspaper publishers, and theater owners tend to favor open markets unless they are offered subsidies or tax incentives to distribute national content,”^{lxvi} where content producers prefer protective supportive measures.

Most importantly one cannot ignore that both the business world and the artistic world are known for backstabbing, competition, and politicking. Within the marriage of the cultural industries, special interest groups have great influence and resources to influence their environment so that it reinforces the bottom line. In this specific case, special interests within France argued that the film was not French based on its financial backing not on its content. It must be argued that the cultural product is separate from the finances in this case. The content was not altered by the backers, nor was an alternative perspective or nationalist view imposed on the work. This was a simple situation of economic interests by special interest groups capitalizing on the prejudices against American hegemony to revoke funds from a rival work of artistic and national importance. The state’s failure to uphold the decision of the state appointed body for financing film failed the people of France, the arts, and the vision for which the support of culture was implemented. The only winners were businesses, the constituency that France claims to be protecting its culture from.

Conclusion:

In the case of the *Very Long Engagement*, art does reveal the fault lines of a nation's cultural policy premise for defending its identity; one that illustrates the prejudice against any taint of American influence. Nowhere in the several relevant definitions of culture is money a criteria or element. Following the money in the creative industries is not a legitimate way to determine the identity, the ethos, the feeling, or the symbols of an artistic and cultural idea. Symbols by their very nature are strong enough to affect without the attachment or affiliation to sponsorship. Museums all over the world exhibit powerful cultural relics from countries they have been invaded with no one questioning the artistic elements of the place of origin. Partnerships of support should not be the only, nor the primary component, for establishing identity of a cultural product and to do so is to corrupt the purpose of art and culture.

Cultural identities are becoming more complex and globalizing forces and collaborations are making it increasingly difficult to determine the "nationality" of film and other cultural products. France has created a sophisticated system to determine the eligibility of its media products and services for state support which it deems a priority in preserving its culture. France's argument for the state's right to determine cultural identity and to preserve it is best understood in relevance to the current challenges it now faces with its new membership within the EU and its changing demographics. For those reasons, the flexibility of allowing state intervention seems justified in order to provide tools for the state to create cultural policies that foster national identity and products of local cultural content. However, its premise that the issue of exempting cultural products is based solely on the desire to preserve cultural diversity is not the whole truth. There are strong U.S. competitive forces derived from an economic rivalry and

economic forces within the state that refute that premise which the revocation of *The Very Long Engagement's* subsidy demonstrates.

As an artist and a consumer I support the potential successes of collaborative creative efforts facilitated by globalizing trends and more open markets. However, as a scholar and a professional I am forced though to conclude that although I believe there to be a legitimate claim for cultural diversity protection efforts, that these efforts are undermined by special and economic interests. Even France, the bastion against homogenizing efforts, is at once constraining its artistic ability as well as disinheriting some of its best representation of what it has defined as French culture and experiences. When this is allowed to happen, the fault lines created by economic greed weaken its moral argument and prove too serious for France's efforts to exempt culture from free trade to be legitimized.

ENDNOTES:

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