

The Impact of a Legal Framework on National Film Industry: an Approach to Basque-Language Cinema

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Abstract

After the incursion of the digitalisation and the Internet, new forms of cultural production, reception and consumption have come via the hands of technological convergence and the way society has adapted to that scenario. In the current context of globalisation traditional cultural conceptualisation has been modified by opening up an economic discourse based on knowledge, creativity and innovation. But how are cultural policies bringing this paradigm into their protection framework? As part of the cultural activity, cinema plays a core role contributing to the national economic competitiveness and social cohesion. However, small cinemas struggle and films made in minority languages face a lot more difficulties. This paper shows how a legal change has made a certain funding model possible for cinema in the Basque-language, suggesting that a legally binding space where a specific cultural subject is primarily recognised has become crucial for films in Basque.

Key words

Creative economy; cinema; cultural policy; film economics; Basque-language cinema; minority protection; cultural diversity

Resumen

Tras la llegada de la digitalización e Internet, han surgido nuevas formas de producción, recepción y consumo de cultura, de la mano de la convergencia tecnológica y la forma en la que la sociedad se ha adaptado a ese escenario. En el contexto actual de la globalización, la conceptualización cultural tradicional se ha modificado por un nuevo discurso económico basado en el conocimiento, la creatividad y la innovación. Pero ¿cómo están integrando las políticas culturales este paradigma en su marco de protección? Como parte de la actividad cultural, el cine juega un papel fundamental, contribuyendo a la competitividad económica nacional y a la cohesión social. Sin embargo, las salas de cine pequeñas experimentan dificultades y las películas rodadas en lenguas minoritarias se enfrentan a numerosas dificultades. Este artículo muestra cómo un cambio legal ha

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hecho posible un modelo de financiación para el cine en lengua vasca, y se sugiere que es fundamental para las películas en euskera contar con un espacio jurídicamente vinculante, en el que se reconozca un sujeto específicamente cultural.

Palabras clave

Economía creativa; cine; política cultural; economía cinematográfica; cine en lengua vasca; cine en euskera; protección de las minorías; diversidad cultural

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1. Introduction

As much research has showed, the economic value of cultural goods has become a matter of big concern in the current context of globalisation and technological convergence (Hesmondhalgh and Pratt 2005, Bustamante 2011, Tremblay 2011); spaces for communication and media consumption have notably grown as well as market competition among audiovisual production companies. Nevertheless, cultural production cannot only be measured from that point of view because it also plays a central function in terms of immaterial constructions: the cultural capital has characteristics and aptitudes that cannot be measured monetarily (Bourdieu 1986, Amezaga Albizu 1995, Throsby 2001, Zallo 2007). On the one hand, the value of culture depends on the value of use, which is set by peoples' subjective preferences; on the other hand, it also has an economic aspect related to the level of demand and the industrial activity of the sector. In this last context, price becomes the exchange value.

According to the Digital Agenda for Europe (DAE), which tries to help European businesses and citizens to get the most out of digital technologies, "the digital economy is growing at seven times the rate of the rest of the economy" (European Commission 2014, p. 3). Therefore, the need to adopt organizational structures in order to channel digital culture production and regulate virtual networks is evident (Bustamante 2011). As one would expect, economic imperatives along with globalization can put cultural diversity in danger. So this makes the protection of small cultures worthy of special attention. Particularly, of those which are in a minority situation.

Here the recent Basque film policy aimed at supporting in-house film production along with its legal framework is examined in order to understand why in the past 10 years film production in Basque language particularly has grown. Between 2005 and 2015, there has been released an average of 2 fictional feature films fully shot in Basque language every year –with the exception of 2008-. What is more, since 2005 there have been shot up to 24 films. This means that even more local movies –shot in Spanish, both or any other language- were made in the same period. It is quite an event, because it had not happened since the end of the 80s: *Ke arteko egunak* (1989). As these last examples show, there is clear evidence that something is happening within the Basque audiovisual sector.

This paper aims to explain how a legal change has improved the economic conditions of Basque-language cinema and also helped set a solid structure for a continuous film production from 2005 onwards (Manias-Muñoz 2013), since it especially drove reforms for those films made in the Basque language. Moreover, the incorporation of a new regulation not only contributed positively to the local sector agenda in general, but it was also come to the defense of the territorial cultural production and identity.

Constraints, in the form of recurring challenges, are a defining feature of the milieus that produce small-nation cinemas. Film practitioners can choose to be defeatist about such constraints as limited funds, the availability of only a small pool of talented actors, and the limited reach of a given small-nation language, or they can choose to look for ways of framing constraints as opportunities (Hjort 2011).

Cinema as an industrial endeavor is unfeasible for those nations without institutional recognition (Martinez *et al.* 2014), examples of that are Brittany and Sardinia among others. But this study will pay attention to a rather strange case. By means of introduction, the Basque Country is divided into two states/governments (the Spanish and French) and Basque language situation is very different depending on which side of the border you are. Therefore, it is also necessary to stress that cultural status will always be dependent on a particular sociopolitical context. And even if culture represents a social identity beyond the

power of law, only creating a specific legal structure by regulating the space for production and circulation makes its survival possible.

To conduct the paper, it will first be made some reference to the methodological approach of this work, which will begin to explain the cultural welfare concerning cinema and followed by the history of Basque-language film production within the design of its policy. Next, the economic issues of films will be taken into consideration. By means of case analysis, we will then look at the budgets and funding models of four Basque-language films made in the 2000s (*Aupa Etxebeste!* (2005), *Kutsidazu bidea Ixabel* (2006), *Eutsi!* (2007) and *80 egunean* (2010)). Finally, the results obtained from the analysis, highlighting the main findings, will be presented. Last but not least, conclusions will bring the study to completion.

The aim of this is to analyze quantitatively the role of Basque public and private funding in films and understand its impact on some of the recent Basque-language features films, so that it can be verified the hypothetical relationship between the recuperation of Basque-language film production and the implementation of a national legal framework.

2. Cultural welfare concerning cinema in the globalisation age

Audiovisual works are able to spread commonly held meanings and values, and cinema is an important element for the building of a nation's culture. Meaning that it helps to develop and reinforce a country's identity, knowledge and collective development (Eusko Jaurlaritzza – Gobierno Vasco 2003). But cinema is also part of the brand of a country, considering that films export and sell the image of a specific community to the outside. According to the Basque film producer Aitor Arregi (2014)¹ "the magic of cinema consists of bringing to our screens a little window whereby one can intuit what culturally lies behind each society, even from the most remote side of the world, and so with high probability, meanings, behaviours, and social contexts we did not know before". It is important to observe then, that cultural goods are all those creative works interpreted by determinate eyes belonging in addition to a particular social context with a particular language.

In addition, as an entertainment industry, cinema also contributes to the local economy and competitive strength with job creation and Gross Domestic Product (GDP) growth. For both economic and cultural reasons, it is necessary to develop, protect and promote home production and thus, having legal concern for its interests would mean the recognition of its global worth. However, the incursion of digitalisation and the Internet into the media and communication sphere has carried social and technological transformations to the cultural production, circulation and consumption of goods.

From a technological point of view, on the one hand, digitalisation has democratized production costs, unified the sign language and standardized signal treatment, symbols and images in a networking society. Consequently, the speed of circulation and diffusion of information has grown exponentially. On the other hand, the main effect is that the physical distance between people has been shortened, with now the opportunity to distribute audiovisual contents by many different means. In this context, the Internet works as a central platform, as the main door for the information flow. Hence, interactivity and multiple access points would open a new scenario for the (perfect?) marriage between the local and the global. Nevertheless, organisational structures in cultural (or creative) industries have favoured "economic stability" rather than identity protection "based on the ownership and control of intellectual property" (Ward 2004, p. 120). According to

¹ Personal interview, 26th March 2014.

Jose Augusto Fontoura Costa (Personal communication 2014, p. 12)², “from the perspective of mainstream economic theory, the need of a social structure to make cultural and artistic goods valuable is a classic problem of public goods”.

The commercialisation of cultural production began in the nineteenth century where societies moved from feudalism to capitalism. The industrialisation intensified this commercialisation and it was Adorno and Horkheimer who first developed the term ‘cultural industries’ in 1947 as a “critical attention to the neo-liberal *marketisation* of culture” (Hesmondhalgh and Pratt 2005, p. 3). Throughout the 80s and 90s the amount of cultural production grew -primarily in the Western Europe and the USA- and it was then impossible for cultural policy-makers to ignore the growth. This phenomenon was also troubling for many intellectuals as Nicholas Garnham (2011, pp. 27-28) states.

The concept of cultural industries emerged as an important matter of research in the area of media and communication and academic circles, becoming a main issue also in international, national and local policy-making. Under the hunger of big companies to make business, due to the important economic value and power to dominate non-market forms of culture, debates about culture vs. economy arose and a political economy of culture soon emerged (Tremblay 2011). In the last decade, the insertion of innovation and creativity into the cultural sector and the export and sharing capability of content have been decisive for strengthening domestic market and global competitiveness. But this all development has modified the original conception from the cultural to the creative industries and it seems less important to specify definitions than the use of culture for other ends.

Behind the creative economy lies an industrial logic and the fight to control production ownership is now a central concern. This perspective pays less attention to the need of the construction and defence of a national culture, and much less to the creation of specific spaces for the local cultural promotion or addressing the ‘Americanisation’ challenges. Following the 2005 Unesco convention ratification, however, national as well as European regulatory bodies have to guarantee cultural diversity by not leaving the sector in the hands of market laws, even less so the cultures with a minority language.

For that end there are protection mechanisms officially recognized by the legislative power and this framework is the most effective working tool to support the European national cinema (Bellucci 2010). Not only to make culture valuable in terms of cultural benefit and identity preservation, but also for growing the economic competitiveness of the sector (European Commission 2014). What is more, it is government commitment to implement the various instruments of intervention to promote the development of local production and adjust every action to the regional structures and dynamics (Eusko Jauriaritza – Gobierno Vasco 2003). Nevertheless, how can creative (or cultural) industries join for their social and commercial potential within the globalisation age? Or even more specific, what should the implications be for film policy according to the specificities of minority-language cinemas? As a way of contributing to this, the challenge of this work is to evaluate to what degree economic stability and cultural protection are both prioritized in the Basque-language film industry.

3. Film policy in small nations: the Basque case

If they want to survive against the giant of Hollywood, European cinemas struggle (Jäckel 2003). This is why the European Union and almost all the member states have designed aid schemes for their cinemas. However, films in minority languages have even greater obstacles to reach the screen. If these kinds of films do not die it

² J.A.F. Costa, 2014. Economic value, creative industries and legal structures. *In: Workshop on Socio-legal aspects of the Creative Economy, 10-11 July*, International Institute for the Sociology of Law. Oñati.

is usually under the auspices of public policy and support mechanisms. "In the case of nations without states, this happens when they have achieved a considerable degree of autonomy" (Martinez *et al.* 2014, p. 1), for instance, Quebec and Catalonia.

The Basque case is even more special. In the Southern Basque Country (the region within Spain), after approving the Statute of Guernica (1979) and the privileges of Navarre (1981), it was given the legal framework to develop autonomously. The Basque language has been co-official in the last 35 years and during that period two regional governments have developed an autonomous cultural policy. Regarding cinema, although public institutions have helped the sector since 1981 it has just been an irregular production of some films in Basque. But, after many attempts, in these 10 years a steady rise production has emerged in this language. Precisely, an average of 2 fictional feature films have reached the screen since 2009 (except for 2008).

In the Northern Basque Country (the region within France) the situation is very different. There are three Basque Provinces (Labourd, Lower Navarre and Soule) belonging to the larger Atlantic Pyrenees department. The Basque population has requested many times for a split of the Atlantic Pyrenees into two French departments, Pays Basque and Béarn. However, Paris has not showed any good will. In addition, the Basque language has no official status under the French constitution since it only accepts the French language. Furthermore, due to its restrictive film protectionism, Basque films could not be shown easily in the French theatres until 2015 (Martinez *et al.* 2014).

Regarding demography and according to 2013 data, the Basque Country has a population of approximately 3 million people with the significant majority living in the Basque Autonomous Community (Gipuzkoa, Bizkaia, Araba): about 2 million. Around 600,000 live in Navarre and close to 300,000 in the Northern Basque Country. In relation to the Basque-language speaking community, the fifth language survey stated in 2011 that 714,000 people aged 16 or older are declared to be bilingual. That is, 27% of such Basques in all territories; currently, 663,000 of them are living in the territory within Spain and the remaining people (51,100) in France.

3.1. Main supporting schemes for Basque-language cinema

In this part we will look at the institutional support system in relation to the films in Basque language. That means that European Union, state and national aid programmes will all be explained because the legal framework for the Basque-language cinema is currently regulated by these three bodies.

3.1.1. European initiatives

MEDIA – Creative Europe

In short, there were two main reasons which pushed the European Union to create its first aid programme for the audiovisual industry development called MEDIA (Mesures pour Encourager le Développement de l'Industrie Audio Visuelle) in 1988. On the one hand, the proliferation of TV channels in almost every country increased competition in the early 80s. As a consequence, on the other hand, aiming at attracting more and more TV spectators private corporations started to bring audiovisual content from both inside and outside the home market. Considering such context, cinema attendance in commercial theatres went down. European cinemas had to face big economic difficulties, production costs were more expensive year after year and the lack of spectators made it impossible to adapt to the structural changes the industry was suffering. However, it was not until 1991 when it definitely started running and making it possible to start building supporting mechanisms for film production, funding, distribution and exploitation.

This programme was also to recover competitiveness and protect European cultural diversity and heritage by distributing films inside and outside the Union. As Table 1 shows below, MEDIA supporting lines have been focused on a variety of audiovisual activities related to training professionals, developing production projects, distributing and promoting films and the audiovisual, and supporting film festivals.

Since 1991 the budget of MEDIA has been increased from 200 million to 755 million Euros –excluding the complementary programmes such as MEDIA International or MEDIA Mundus- and from 2014 onwards many activities are set to continue under the name of Creative Europe (2014-2020). Unfortunately, there has not been any Basque-language film obtaining this support yet. According to the Basque film producer Iñaki Gómez Sarasola (Irusoin) (2015)³, “in most of the supported fields you need to present a project where at least there are three European countries participating, nevertheless, international relations are still undeveloped in the Basque film industry”.

Table 1 - European Union audiovisual supporting programme –

Year	Programme name	Budget	Main supported field(s)
1991-1995	MEDIA I	200 M	International cooperation
1996-2000	MEDIA II	310 M	Training, development and distribution
2001-2006	MEDIA Plus	454 M	Development, distribution and promotion
	MEDIA Training	59 M	Training, development and distribution
2007-2013	MEDIA 2007	755 M	Distribution, development, promotion and training
2008-2010	MEDIA International	8 M	Cooperation with third countries
2011-2013	MEDIA Mundus	15 M	Cooperation with third countries
2014-2020	Creative Europe	1.460 M	Development, promotion and distribution

Source: MEDIA Programme + European Commission (2011) + own elaboration.

Eurimages

The Council of Europe ran this cultural support fund in 1989 with the aim of helping feature films, animation and documentary coproduction of 36 out of the 47 member states of the Strasbourg-based Organisation, produced in Europe. Furthermore, it also contributes to film distribution and exhibition, and digitalisation of European movie theatres. Its total annual budget is 25 million Euros, but it can be modified depending on the contribution the member states finally make.

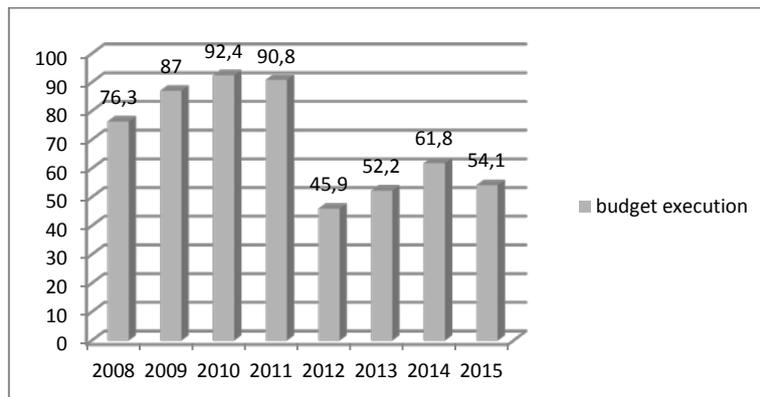
3.1.2. Spanish film support system

The legal framework for the Spanish cinema was established by the Cinema Law (Ley 55/2007) in 2007. It settled down the main aims of the state film protection policy as well as the general aid schemes to support and promote home cinema. According to this law, cinema is considered to be a “strategic sector of culture and economy” and subsidies are designed to support the activities of independent production companies, prevent the film industry from threatening and instable situations and help producers adapt to the new technologies and audiovisual formats (Ley 55/2007, p. 1). For that reason, the Spanish governments’ public

³ Personal interview, 20th April 2015.

policy is mainly configured towards the fields of production and distribution of films, giving especial attention to beginners and experimental works.

Figure 1: State film fund.



Source: ICAA, Institute of Cinematography and Audiovisual Arts

Among the aid schemes, the most important one is called the Repayment of Films, which it represents usually more than 50% of the total State Film Fund (66% in 2015) and is self-winding once the film has achieved a minimum attendance (60,000 viewers and 30,000 in the case of films shot in any coofficial or foreign language) at commercial theatres. However, this can be interpreted as a system to reward only films achieving success, for example, for instance, films such as *8 apellidos vascos* (2014) which had around 10 million people attendance only in Spain; precisely, those films which would need less economic support. In addition to it, as Figure 1 shows, the general cut that the Spanish film fund has suffered in the recent years is alarming. From 2010 to 2015 provisional numbers the total budget has been reduced 58%; that is, from 92.4 million Euros to 54.1 million in five years.

The Spanish Cultural Ministry also considers the importance of protecting audiovisual content made in the languages spoken in other autonomous communities, such as Catalan, Galician and Basque. Apart from the State Film Fund, there has been a special annual line item for this purpose between 2008 and 2011. As far as production in the Basque language is concerned, a total amount of 3.1 million Euros were invested: 124,000 Euros in 2008; 613,420 in 2009; 1.3 million in 2010 and, finally, 1.1 in 2011. So, while it lasted it was without doubt a very important backing.

In addition to this, the Audiovisual Communication General Law (Ley 7/2010) established a second protection framework for the Spanish audiovisual works in 2010. According to the cultural and language diversity right mentioned in article 5, this law imposed film funding obligations for public and private TV channels for European fictional features, TV series, documentaries and animation film support. This measure requires investment of 5% of the annual income in the case of private TVs and 6% in the case of public. However, Basque, Catalan or Galician films have not been of very much state TV channels' interest until the recent years. For instance, between 2005-2015, from out of 21 Basque-language fictional features films only in *Sukalde kontuak* (2009), *Dragoi ehiztaria* (2012) and *Loreak*⁴ (2014) there has been TVE Spanish public TV's contribution.

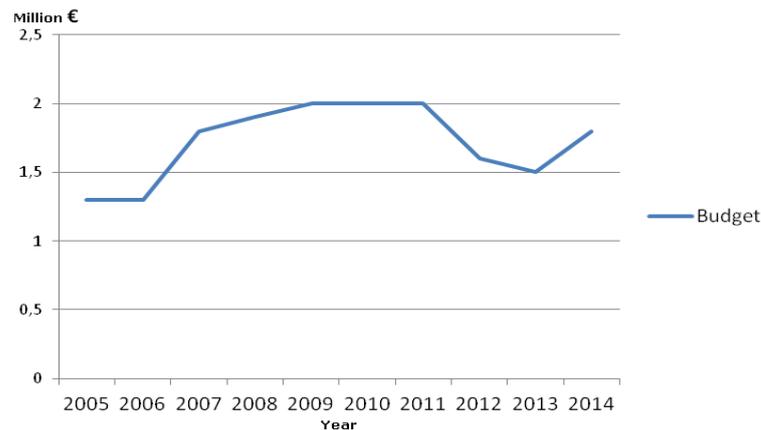
⁴ When this article was being written (August 2014) there was not confirmation of TVE's participation in *Loreak* (2014). According to the filmmakers Jon Garaño and Joxe Mari Goenaga (personal interview, 22nd September 2015), TVE decided to invest money after knowing the film was in competition within San Sebastian Film Festival.

3.1.3 Basque Autonomous Community supplementary aid

Apart from the legal obligations that the Spanish government requires of the Autonomous Communities in the audiovisual field, each region has developed a complementary support system for film protection. In the Basque case, it was in 2003 when the Basque Government implemented the Decree 338/2003 (Decreto 338/2003) for specific financing lines. Soon after, in 2007, Decree 107/2007 (Decreto 107/2007) brought changes in relation to the eligible beneficiaries for the subsidy of audiovisual production and the rate of interest-free loan limits. In this way, the Basque Autonomous Community funding system for the promotion of audiovisuals in the Basque Country was finally regulated. Furthermore, due to "cultural and linguistic normalization", audiovisual creation, development and production are supported by scrip creation, audiovisual production and publicity and promotion supporting lines (Decreto 107/2007).

Since 2005 the total budget for supporting Basque cinema has been between 1.3 and 1.8 million Euros (Figure 2). The biggest figures were surprisingly registered in 2009, 2010 and 2011, while Spain was suffering intensely devastating consequences of the world economic crisis. Even if today the Basque Government is absorbed by economic difficulties, still in 2014 the amount of money for Basque audiovisual production has been maintained stoically. In fact, it has been increased in 300,000 Euros from 2013 to 2014. However, it would have been ideal if this support could have surpassed the numbers in 2009, 2010 and 2011.

Figure 2: Basque Fund for Audiovisual Production.



Source: Basque Government, Department of Culture.

ETB's (Public Basque Autonomous Television) support is the second leg for Basque-language film funding. For the first time ever, in 2003, an agreement was signed between the two Basque Producers Associations (IBAIA-EPE/APV) and ETB in order to assume a commitment towards the Basque audiovisual sector. According to that agreement, ETB would guarantee the production of at least two feature films in Basque language every year. To address this objective the public TV entity has assigned an important budget, as Table 2 shows below. Nevertheless, the investment in 2013 had nothing to do with the one in 2008: 1.5 million versus 3.7 million Euros. In other words, it represents a budget reduction of 2.2 million Euros (59%) in five years.

Table 2: ETB investment in Basque language feature films (M Euros).

Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Budget	856,000	797,662	466,912	3,7	3,5	3,5	2,8	2,1	1,5

Source: ETB, Basque Television Channel.

3.2. From a legal change to a flowering: an approach to the historical review

Basque cinema has gone through two important periods: on one hand the 60s and 70s, where some documentaries thought out from a Basque cultural perspective were filmed, along with the 80s and 90s, when there was a desire to establish optimal conditions for creating and producing in Basque. At this time a public body called *Euskalmedia* was set up to invest public funds in cinema. On the other hand there was the decade of 00s when mainly economic bases were created. However, changes in the world cinema value chain –in both production and consumption– caused uncertainty.

In the decade of the 00s, Basque cinema's economic aspect was mainly developed thanks to the Basque Government's audiovisual financing decree in 2007 (Decreto 107/2007) (which is no longer running after Iñigo Urkullu's (EAJ/PENV) government decision to eliminate it in 2013 along with its annual budget execution of 1.5 million Euros). Indeed, important agreements and film support initiatives were initiated during this period: White Paper for Basque Audiovisual (Eusko Jauriaritza – Gobierno Vasco 2003), Basque Plan for Culture (Eusko Jauriaritza – Gobierno Vasco 2004) and first Contract Programme between ETB and Basque Government (2002-2005; 2006; 2007-2010; 2011; 2012; 2013 and 2014) among others. Recently, an injection of money has stimulated the growth of Basque film production, and films in Basque even more so.

These specific schemes have led to the flowering of films in the Basque Language. As we have said before, between 2009 and 2015 two films in Basque have been released every year. What is more, there have been better years where five or six Basque films have been released –either in Spanish or in both languages–. It is a remarkable achievement, because Basque cinema had not reached that level of production since the end of the 80s. It would be even less if we referred only to films in Basque.

In the historical itinerary of films in Basque, *Aupa Etxebeste* (2005) was the turning point. This film achieved such success that later on many films in Basque were shot: *Kutsidazu bidea*, *Ixabel* (2006), *Eutsi!* (2007), *Sukalde kontuak* (2009) –a comedy that takes place in a cookery school–, *Urteberri on, Amona!* (2011) –a black comedy that follows the conflict of a family while trying to look after the grandmother–, *80 egunean* (2010), *Arriya* (2010) –a drama story about the fight between two families–, etc. This improvement needs to be emphasised from both cultural and economic point of view.

After producing not many films, Basque Cinema has again taken up what it began in the 80s. The results of the decade of the 2000s show a willingness to build a stronger industry base and economic structure for a continuous production. Unfortunately, films in the Basque language have not repeated *Aupa Etxebeste's* good box office: 71,972 viewers. What is more, since then the audience has gone down year after year standing between 4,000 and 11,000 –except for *80 Egunean* (2010) (22,177), *Izarren argia* (2010) (25,228), *Urteberri on, Amona!* (2011) (31,745) and *Bypass* (2012) (38,900). However, there are reasons to be optimistic in the near future since from 2014 onwards there have been better numbers in the attendance for the Basque-language cinema (Table 3).

Table 3 - Film, Box office and Distribution Company of Basque-language films 2005-2015

Film title	Year	Attendance	Box office (€)	Distribution Company
<i>Aupa Etxebeste!</i> (Come on, Etxebeste!)	2005	71,972	341,504	Barton Films
<i>Kutsidazu bidea, Ixabel</i> (Show me the way, Ixabel)	2006	45,539	212,724	Orio produkzioak
<i>Eutsi!</i> (Hold!)	2007	26,463	126,766	Barton Films
<i>Ander</i> (Ander)	2009	655	2,828	The society comunicacion
<i>Sukalde kontuak</i> (Cooking secrets)	2009	4,996	27,183	Barton Films
<i>Zorion perfektua</i> (Perfect happiness)	2009	6,282	33,682	Barton Films
<i>80 egunean</i> (80 days)	2010	22,177	122,415	Barton Films
<i>Izarren argia</i> (The light of the stars)	2010	25,228	133,876	Barton Films
<i>Zigortzaileak</i> (The seductress)	2010	4,513	18,532	Alokatu
<i>Urteberri on, Amona!</i> (Happy New Year, granny!)	2011	31,745	177,531	Barton Films
<i>Bi anai</i> (Two brothers)	2011	3,477	19,057	Orio produkzioak
<i>Arriya</i> (The stone)	2011	11,704	59,324	Alokatu
<i>Bypass</i>	2012	39,009	184,448	Barton Films
<i>Baztan</i>	2012	14,941	93,944	Lazo Visual
<i>Dragoi ehiztaria</i> (The dragons hunter)	2012	30,442	126,328	Barton Films
<i>Amaren eskuak</i> (Mother's hands)	2013	6,401	30,123	Barton Films
<i>Alaba zintzoa</i> (Good daughter)	2013	1,165	5,948	Barton films
<i>Loreak</i> (Flowers)	2014	44,121	237,564	A contracorriente films
<i>Lasa eta Zabala</i> (Lasa and Zabala)	2014	802	5,142	Barton Films
<i>Txarriboda</i> (The pig-killing)	2015	63,595	322,750	Barton Films

Source: ICAA.

4. The implementation of a new funding model

In this new context, one can suspect that without the national legal structures to deal with the public interests, the Basque audiovisual sector would not be recovering today. What is more, if these specific supporting schemes had not been implemented, cinema in the Basque language would be doomed to becoming reduced to nothing. The Basque Government has therefore understood that there is a need to give more places to the establishment and change of cultural realities. So, in this part the real examples of four fictional features will be examined by looking into their budgets and funding.

The Basque-language films *Aupa Etxebeste!* (2005), *Kutsidazu bidea, Ixabel* (2006), *Eutsi!* (2007) and *80 egunean* (2010) form the case study. These films were released between 2005 and 2010, right after the most important legal changes were made by the Basque Government towards the film industry (beginnings of the 2000s) and after some continuous production had happened for the very first time (end of decade). Therefore, this period and these features

comprise the time and sample enough to test whether a certain funding model was becoming established or not.



Film billboard, 2005.



Film billboard. 2006.

The first one is a dark comedy with well-known actors and director from 2005, with a budget of 1.5 million Euros. The second film is from 2006 with a budget of 996,495 Euros. It is a comedy based on a famous Basque novel story that takes places in a very small town in the 70s. The third, *Eutsi!*, is again a comedy that revolves around the value of friendship. With a budget of 596,181 Euros this film was released in 2007. Finally, a drama from 2010 deals with the special relationship between two old women. This time with a budget of 1.8 million Euros. The porpoise is to see in these films the reflection of a legal change and the implementation of specific aid mechanisms.

After the corresponding regulations, public funding has achieved big importance in Basque-language feature films. If we see table 4 below, in three out of the four cases analysed public sources have covered more than 63% of the total budgets. Whereas in the film *Eutsi!* this figure was of 45%. To the contrary, private sources were used between 22% and 36% of the budgets in *Aupa Etxebeste!*, *Kutsidazu bidea, Ixabel* and *80 egunean*. However, in *Eutsi!*'s case private funding reached almost 56% of it.

Table 4 - Public and private funding gap -

Feature film	Year	Public funding	Private funding
Aupa Etxebeste!	2005	75%	25%
Kutsidazu bidea, Ixabel	2006	63.3%	36.7%
Eutsi!	2007	45.2%	55.8%
80 egunean	2010	77.2%	22.8%

Data source: personal information given by the corresponding production companies.

Beyond the use of public and private funding resources, it is of great interest to look into the ICAA (The Institute of Cinematography and Audiovisual Arts), ETB and Basque Governments' investment gap. As table 5 clears, in the four cases Basque Governments and ETBs' investments are of major presence.

Table 5 - ICAA, Basque Government and ETBs' investments -

Feature film	Year	ICAA	BG	ETB
Aupa Etxebeste!	2005	32%	29.5%	14.7%
Kutsidazu bidea, Ixabel	2006	- ⁵	45.5%	18%
Eutsi!	2007	- ⁶	5%	40%
80 egunean	2010	12%	16.7%	15.7%

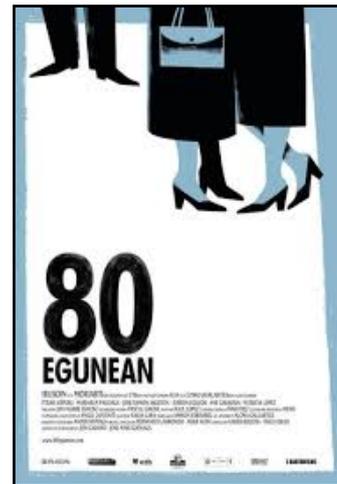
Data source: personal information from the corresponding production companies.

Regarding Basque Government support, it has been in one film where its investment is the biggest: in *Kutsidazu bidea, Ixabel*. This amount has covered in these films up to 45.5% of its total cost. ICAAs' support is just in one case the biggest: 32% of it in *Aupa Etxebeste!*. Finally, the biggest investment of ETB occurs in the case of *Eutsi!* where this figure reaches 40% of the film budget. Finally, *80 egunean* shows a balance among these three public funding sources: ICAA reflects a 12%, while BG 16.7% and ETB 15.7% of its total budget.

Table 5 also states that the average of ETBs' investment in each film is of 22.1% while Basque Governments' of 24%.



Film's billboard, 2007



Film's billboard, 2010

To conclude, it bears mentioning that in all the four films analysed Basque entities inversion or support represents very high percentages in their funding figures. Having a look at table 6, two films have been fully funded by Basque located institutions or sources. That is the case of *Kutsidazu bidea, Ixabel* and *Eutsi!* with a representation of 100% of their total funding. In *80 egunean* this figure is close to that percentage, Basque investment and subsidies are the 80% of its funding.

⁵ The producers of this film expressed a personal choice to refuse to use any Spanish support.

⁶ No data available.

Table 6: Basque origin investment and subsidies.

Feature film	Representation
Aupa Etxebeste! (2005)	47%
Kutsidazu bidea, Ixabel (2006)	100%
Eutsi! (2007)	100%
80 egunean (2010)	80.7%

Data source: personal information from the corresponding production companies

Therefore, Basque cinema is not short of home economic resources today.

5. Final thoughts

Two particular conclusions grab our attention.

By definition filmmaking incurs high costs. Making films means taking on high risk as well. As in recent years, the number of films in Basque has grown, but they have not obtained wide acceptance, so it leads one to wonder if it is not better to produce better quality movies and each with more public funding, with an aim to producing more elaborate projects and achieving better success. In this way, a deeper understanding of the project and ensuring a good production and financial plan would contribute to success. Hence, increasing the industrial capacity even more should be a future challenge.

It is important to understand that in a minority situation, such the Basque-language case, the future of films in such languages will only be guaranteed if public actions embrace the idea of the need to create specific supporting schemes for it. To that effect its government commitment to design a system whereby films can be developed and disseminated, in this particular case by giving more importance to promotion and distribution.

But are small cinemas discordant with the industry development agendas? Cultural governance commitment in general and film policies in particular have to guarantee diversity within the film industry and reflect consciousness of the creativity significance of small cinemas. As the Basque-language case has demonstrated, by legal means there should be developed strong instruments of intervention which would come to support and protect the local sector in order to manage the stormy relation between small and bigger film industries.

What small cinemas need in order to be able to thrive is successful practitioners who are willing to put their success, and the rewards that accompany it, to work in their small-nation context, through collaborative projects involving, among other things, "gift culture": gifts of reputation, experience, and talent that together become gifts of opportunity to the film community more generally (Hjort 2011).

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