THE FUTURE OF EUROPEAN CINEMA :
The economics and culture of pan-European strategies

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Any discussion of European cinema must immediately contend with basic questions of definition: what is the conception of Europe which is being referred to and how is the cinema being defined? These are not simply pedantic quibbles. The idea of Europe is certainly not a straightforward one and even at the level of basic geography its boundaries are unclear and, with respect to the East, disputed.[1] And if the geography of Europe is blurred then its social, political and cultural contours are even more so, given the variety of national and ethnic traditions, political arrangements, languages, religions and cultural outlooks which are a feature of the European countries. Moreover, in the wake of the various social and political upheavals of the last few years, the idea of Europe as a social, political and cultural 'constituency' has begun to change and has undergone a number of attempts to re-think and 're-imagine' its parameters. If, as Stuart Hall argues, identities are never simply given, or complete, but are always in process then the identity of the 'new Europe' – as well as identities within Europe – are still in a process of 'becoming' and therefore belong, as Hall puts it, ' to the future as much as to the past'.[2] This is not, of course, to deny the importance of existing economic and political arrangements in the shaping of our ideas of Europe. Clearly the European Community (or European Union as of 1 November 1993) has cultivated a particularly strong and influential sense of Europe based upon its current twelve-nation membership and one, given the development of the MEDIA programme, which is of particular importance to the cinema.[3] But it is not the only European partnership of relevance to film. The Council of Europe, which predates the establishment of the EC, also holds a brief for the support of the audio-visual media and manages the European production support fund Eurimages which, by 1993, contained twenty-three members which included not only all the West European nations but also Poland and Turkey. The European Broadcasting Union, the European 'club' for public service broadcasters (many of whom have been involved in film production), is even more extensive with thirty-nine active members representing thirty-two countries stretching from Iceland to Morocco. Clearly then the boundaries of Europe, and hence European cinema, can, and have been, drawn in different ways.

But if Europe as a category is a contested one, is what is meant by cinema – and the idea of a European cinema – any more straightforward? Traditionally, in thinking about the cinema, three main areas of focus may be identified:

1) the economics and organisation of film production;
2) the nature and textual characteristics of films;
3) the distribution, exhibition and consumption of films.

However it is still relatively rare to find discussions of the cinema which take all of these elements into account. Government reports and policy documents, for example, characteristically focus on the economics of the film industry and tend to say little about actual films (or their aesthetics). Film histories and works of criticism, on the other hand, may elaborate upon the features of individual films or groups of films in great detail but still pay scant attention to the contexts in which they have been produced and consumed. What is then meant by cinema may not always be the same and may refer only to certain aspects of cinema activity. Moreover, the activities which have traditionally been seen as constituting cinema are no longer the same as they once were. This is particularly so given the increased blurring of the boundaries between film and television. Not only do more people now watch films on television and video than in cinemas but television finance has become a key factor in the business of making films. This is true of Hollywood but even more so of Europe. According to *European Filmfile*, 54 per cent of European films in production in early 1993 were backed by television finance and in certain individual countries the proportion was even higher (92 per cent in Portugal , 87 per cent in Sweden, and in the case of France, the largest film-producing country in Europe, 69 per cent).[4] Television funding is now central to European film production and any consideration of European cinema must take it into account.

However, even if all the various components of cinema activity are considered together there is still a potential difficulty in the way in which these may be identified as European. It might be helpful, in this respect, to distinguish the cinema in Europe from European cinema. For what is quite evident is that neither all of the films made, and certainly watched, in Europe could sensibly be regarded as European. Depending on the fluctuations of the international economy, Europe has often provided the location for the production of films which have been financed outside of Europe, have only involved small numbers of European personnel and which have lacked any recognisable European content. In the same way, the largest proportion of films actually viewed in Europe are not European at all but come from outside of Europe, mostly from the US. In this sense, therefore, it could be possible for there to be a successful European film industry which is nonetheless neither making nor showing European films. It is for this reason that Philip French, elsewhere in this volume, seeks to draw a distinction between the terms 'industry' and 'cinema'. For French, a cinema consists of more than simply film-making activities but also constitutes a 'tradition of movie-making associated with a place or area'. This is a valuable point to make and makes the attempt to link the characteristics of an industry to those of the films themselves. But how far is it possible to define a European cinema in this sense? Is there a recognisable film-making tradition which is linked to Europe the place (however defined) or are there simply individual authorial and national traditions within Europe? Does the label European identify any common formal and thematic features in films or simply provide a convenient peg on which to hang a variety of films with nothing in common other than their place of origin?[5] The idea of the 'European art film' has suggested there might indeed be a unifying European tradition but there are problems with this. First, it doesn't include what is probably the bulk of European film production and, second, it is the shared 'art' (non-classical narration, stylistic foregrounding, ambiguity and authorial self-expression) rather than any shared 'Europeanness' which seems to provide the category with its main unifying principle.[6] However, while it may be difficult to delineate a clear European tradition could European cinema, like Europe itself, be in the process of 'becoming' and, as such, be an idea worthy of support?

This last question has become increasingly important in recent years as a result of the changes which the cinema in Europe has undergone. The European film industry has entered a period of decline and the appropriate response to this has become a matter of some debate. This has involved consideration of both economic and cultural matters: of both what economic measures are appropriate to restore the industry to health and what cultural outlook European films should be encouraged to demonstrate. These two matters are, of course, inter-connected for economic prescriptions will have consequences for the types and cultural characteristics of films which are made just as the enablement of films of a particular cultural character will require particular economic strategies. What I would like to consider therefore are some of the reasons for the current state of the cinema in Europe and some of the solutions which have been proposed. In doing so I hope to indicate the different conceptions of European cinema which have been canvassed and what is at stake, both economically and culturally, in them. I will then conclude with some remarks on the particular case of Britain in relation to Europe.

At the root of the current crisis of European cinema are three main factors: a decline in cinema audiences, a decline in production and an increasing domination of the European box-office by films from Hollywood. European audiences have been in decline since the 1950s and during the 1980s this downward trend continued. Admissions in every European country fell, often quite dramatically (as in Italy where annual admissions dropped from 241.9 million in 1980, the highest in Western Europe, to 90.7 million in 1990). In the EC countries overall admissions fell during the decade from 983.7 million to 564.1 million (and in Western Europe as a whole from 1,076.1 million to 621.9 million). (See Table One). The drop in Eastern Europe was less dramatic during the 1980s but has now begun to accelerate, with admissions dropping from 4,178 million in 1989 to 2,201 million in 1991, largely as a result of the growth in other media outlets which followed the collapse of the East-West divide.[7] Both the UK and Ireland witnessed an upsurge in admissions towards the end of the 1980s but only to a limited degree. Thus, in the case of the UK, the figure for 1990 (97.2 million) was still below even the lowest figure for the 1970s and well below the enormous totals of the post-war period (such as the 1946 peak of 1,635 million).

The consequence of these figures has been the same for most European countries: a drop in indigenous production. Thus, amongst the EC12 the number of films produced fell from 732 in 1965 (and 808 in 1970) to 617 in 1980 and 474 in 1990 with similar falls across Eastern Europe. (See Table Two).[8] Why this has occurred may be readily explained. Whereas it was once possible for European films in a number of countries to recoup their costs in their home markets this is now virtually impossible even for modestly-budgeted productions. According to a study by *Screen Digest*, only two European countries – West Germany and the Netherlands – generated a sufficiently large indigenous box-office share to cover the costs of indigenous film investment in 1988 and 1989 and this, they suggest, was due to the relatively low levels of investment involved (such that the Netherlands was responsible for only 0.5 per cent of total EC investment in 1988).[9] What has made this drop in theatrical admissions particularly damaging for European film industries is the difficulty they have faced in securing alternative markets for their films either in other countries or via other outlets such as video. European films have traditionally not travelled well and revenue from foreign markets has not been substantial. It is generally estimated that 80 per cent of EU-produced films are not distributed beyond the borders of their country of production and, of course, many of those which are, receive only a modest release.[10] Moreover, at a time when overseas distribution has become more important for European films, the evidence suggests that the opportunities for distribution in the US have become poorer. Thus, according to a survey in *Variety*, 245 films from France, Italy, Spain, the UK and West Germany received theatrical distribution in the US in 1967 compared with only 88 in 1987.[11] British and Irish film-makers, who have the advantage of sharing a language with the US, have traditionally looked to the US market with greater optimism than other European countries. However, success in the US has been erratic and has never provided a consistent or sufficiently substantial source of revenue. The UK share of the US box-office is characteristically around 1 per cent and, even in a good year such as 1992, no more than 3 per cent .[12]

The other weakness of the European industry has been its lack of access to the new outlets for film which have assumed so much importance since the early 1980s. It has become one of the paradoxes of recent film history that while audiences may be deserting cinemas they are actually watching more films than ever: they just happen to be watching them on television and video. The great triumph of Hollywood in recent years has been its ability to adjust to these new realities. Like Europe, Hollywood had to contend with the falling cinema audiences that ultimately led to the financial difficulties of the studios in the late 1960s and early 1970s. However, by the end of the 1980s, these problems had been successfully overcome and the strength of the major studios – Warner Bros, Disney/Buena Vista, Paramount, MCA/Universal, 20th Century-Fox, Columbia/TriStar and MGM/UA – was greater than ever. This is reflected in the growth in studio revenues from \$2,495 million in 1980 to \$11,392 million in 1990 which, even allowing for inflation, represents over a doubling of income. The key factor in this revival of the studios' fortunes was the ability to take advantage of the new television and video outlets for film. Thus, whereas returns from theatrical release (both domestic and foreign) accounted for 75.6 per cent of US studio revenues in 1980, the corresponding figure for 1990 was only 32 per cent. In contrast, revenues from Pay TV grew from 4.8 per cent to 9 per cent and, even more dramatically, revenues from video increased from 1 per cent to 45.3 per cent in the same period.[13] The pay TV and video markets have also grown in Europe (such that pay TV and video accounted for over 65 per cent of spending on film in Western Europe in 1992) but it is the US rather than the domestic film industries which have been reaping the benefits.[14] Foreign video and TV markets account for a substantial slice of US studio earnings (26 per cent in 1990) and, given its relatively high degree of video penetration, Europe provides a substantial proportion of this. As a result, the growth in the video market, which has been vital in restoring Hollywood to profitability, has not provided a similar source of revenue for the European film industry. The UK provides a particularly striking example of this. By the beginning of the 1990s, the spending on film on video was well over double the spending on film at the cinema box-office. However, the return to the British film industry from video has been negligible. In 1991, for example, US releases accounted for 93.7 per cent of video rentals while UK releases accounted for only 4.6 per cent.[15]

This domination of the European and UK market by Hollywood is the third major factor in the decline of European cinema. It has already been noted that while cinema admissions may have fallen the watching of films has actually increased in popularity. However, it is also the case that it is primarily Hollywood films which people have been watching. This is not only reflected in the figures for video but those for cinema admissions as well. Thus, between 1980 and 1990 the audience share for US films in the EC countries grew from 46 per cent to 69 per cent while in the UK and Ireland the US share was even greater (78 per cent and 76 per cent respectively).[16] These percentages are even larger when converted into box-office share. In 1990, the US share of EC box-office amounted to 77.4 per cent, in the UK 89 per cent and in Ireland 87 per cent. (See Table Three).[17] US dominance of Eastern Europe is also becoming an increasing reality. In 1991, for example, US films accounted for all but one of the top twenty films in Bulgaria, Hungary and Slovenia. In Poland they accounted for them all despite the fact that only the preceding year there had been just three US films in the top twenty.[18] What these figures also reflect is the intensification of control, on the part of the US majors, over distribution in Europe. The value of the overseas market has become increasingly important to Hollywood and the studios have combined resources to maximise its exploitation (most notably in the case of United International Pictures (UIP) which distributes films from Paramount, Universal and MGM/UA). In Europe it is only the Hollywood majors which have access to a pan-European distribution network and as a result they have been able to dominate the European market-place. One measure of their success is that, between 1985 and 1989, rentals from Europe to the US majors have increased from an estimated $301.6 to $702.5 million.[19] The bulk of films distributed are, of course, American and the evidence suggests that US distributors also favour US films at the expense of EC films.[20] The majors, moreover, have become increasingly involved in European exhibition (through the opening of multiplexes) and this has eased the passage of American films to European cinemas even more.[21] Of course, there is nothing new about US domination of European markets which dates back to the aftermath of the First World War. What is new, however, is its extent and the consequences this has then had for the viability of European film production.

As a result of these changes, all the national film industries in Europe have experienced broadly similar difficulties to which they have had to respond. Although shared, such difficulties have, according to Steve Neale, been traditionally conceived by the countries involved 'as a specifically national problem'.[22] However, this has been less obviously the case in recent years when the idea of greater international co-operation to resist Hollywood domination has gained considerable ground, particularly in a European context (although not exclusively so as the proposals for an English Language Cinema Plan have indicated). However, like the larger 'European debate', quite what form European co-operation should take, and what degree of integration it should involve, has not always been agreed upon and both 'minimalist' and 'maximalist' blueprints have been canvassed. Thus, one solution to the shared predicament of the European industries has been seen to lie in a pooling of resources and the creation of a pan-European industry which, it is believed, will stand more hope of success than any national industry on its own. Part of the impetus for this has come from the creation of a Single European Market which has been seen as creating a commercial space comparable of that of the US. Although the actual value of the film theatrical market is much lower than that of the US given the low rates of average attendances amongst West European audiences (about 1.78 visits per year) compared to their US counterparts (4.56 visits), the population of the EC12 at 325 million is substantially larger than the US population of 247 million. Moreover if the West and East European markets are added together this provides a level of admissions and box-office which overtakes that of the US. As has already been indicated, the problem with these figures from a European point of view is that US films enjoy the predominant share of both markets. Nonetheless, it is the *potential* a unified European market is believed to hold which has fuelled many of the hopes for a revived European film industry.

Such hopes have both economic and cultural implications. Historically, national cinemas have been faced with the choice of a) attempting to compete directly with Hollywood, b) relying primarily on the domestic market for commercial viability or c) aiming at more specialist outlets both nationally and internationally. However, given the decline of national theatrical markets, it is argued that it is now Europe as a whole which can provide a European film with a 'home' market of much greater size than any individual national market and, indeed, of comparable size to that of the US. Thus, it is argued that economic success does not necessarily depend on breaking into the US market and that the European market on its own is sufficiently large to sustain European film-making. However, in order to take advantage of this new European market, it is also argued that European films will need to change their character (and become less 'specialist'). In comparison to Hollywood films, European productions are predominantly 'low' and 'medium' budget. Thus, despite the drops in European production levels, the EC12 still maintained a comparable level of production to the US at the end of the 1980s : in 1990, 474 films were made in the EC (and 559 in Western Europe) compared to 438 in the US. However, the level of average investment was substantially different: $2.84 million in Europe versus $7.99 million in the US.[23] The discrepancy would, of course, be even greater if the European figures did not include US-financed productions and the US figures were restricted to the output of the Hollywood majors. Thus, the estimated average cost of a studio film in 1990 has been put at a total of $38.8 million ($26.8 million negative cost plus $12 million advertising cost).[24] The conclusion that is often drawn from such figures is that the budgets of European films are too low to allow them to succeed outside of their national markets. Thus, in 1992 Eurimages announced its intention to support projects with higher budgets on the grounds 'that there is a direct relationship between the size of the budget and the number of the territories in which the film can be sold'; and this was reflected in its decision to lend to a Danish/German/Portuguese co-production, *The House of Spirits* (1993), shooting in English on a budget, at £11.3million, well above the European average.[25]

This, John Hopewell suggests, may be seen as part of what he calls ' a growing consensus' that 'a future European film industry' should 'generate more, higher budget pictures' intended to recoup 'their costs from international territories rather than just from a release in their own country of origin'.[26] Certainly there are now a number of reports which have advocated this viewpoint. Although not its main recommendation, the British Screen Advisory Council report, *The European Initiative: The Business of Film and Television in the 1990s* did nonetheless canvas the view that 'instead of producing a large number of low-budget films it (Europe) may be better advised to produce a smaller number of more expensive films so that producers can afford to spend substantial sums on promotion and marketing . . . throughout Europe and worldwide'.[27] The former Chief Executive of British Screen, Simon Relph, has also argued, along with Jane Headland, that if 'the European opportunity' is to be seized then European film-makers 'must create industrial structures which rival the power of Hollywood as well as make films with their own European stars'.[28] Two other reports put the case even more strongly. *European Film : industry or art?*, a report by Coopers and Lybrand, laments what it calls 'the self perpetuating circle of low-budget films' (low-budget = small audience = low revenue) and calls for an 'Empire Strikes Back' policy which will challenge US domination of Europe on the basis of greater European co-ordination, the encouragement of European 'majors' (and a European studio) and a more commercial orientation.[29] In *Europa Europa : Developing the European Film Industry*, a Media Business School publication, Martin Dale claims that 'Europe has not aimed at or understood the mass international market' and should be making European films which follow 'the simple principles of American movies'.[30] In another report for the Media Business School, *The Competitive Position of the European and US Film Industries*, London Economics are rather more cautious about recommending one particular approach over another but do nonetheless give serious consideration to both a 'European' strategy of pan-European production and even an 'international' strategy of integrating with the US film industry.[31]

It would be unfair to these reports to suggest that they are unaware of the economic obstacles to the implementation of their ideas (or that they do not allow for different types of film-making activity within Europe). Nonetheless , it does seem the case, that they over-state both the feasibility and desirability of their proposals.The economic might of the Hollywood majors is linked to so many factors – the scale of their production, the concentration of resources and deal-making activity in Los Angeles, the size and relative homogeneity – compared to Europe – of the US home market, the successful penetration of 'ancillary' markets and the ownership and control of an international network of distribution and exhibition interests – that it is virtually impossible to conceive how any European strategy, even if it could be successfully co-ordinated, could overturn such competitive advantage. This is the more so given that the re-orientation of the European film industry which is envisaged would not simply be an economic matter, involving changes in methods of financing, production and distribution, but also a cultural one, involving a particular approach to the films to be made. For where all the reports above agree is that European film-making should also change in character and become more 'commercial' and more obviously aimed at the 'mass market'. However, this is a more complex matter than the reports suggest.

As has already been noted, the prescriptions for change do not envisage, at least in the first instance, an attempt to break into the US market. It is the size and potential value of Europe as a 'home' market that is seen to provide the basis for a more commercial pan-European industry. As such, it is not proposed that European films should directly imitate Hollywood films. 'Whenever European films attempt to ape American models', writes Dale, 'they are hollow and fail both artistically and commercially'. He therefore argues for the development of 'new European models'.[32] Similarly, Coopers and Lybrand do not advocate a switch to 'purely US style product' but recommend films which will have 'an international appeal' within Europe.[33] The difficulty, however, is in identifying what these films might be, particularly as it is the limited appeal of European films outside of their own borders which is regarded as the central problem which a pan-European industry must overcome. Dale, moreover, is critical of attempts at big-budget European film-making which might at first glance appear to conform to his prescriptions. Thus, he is critical of Goldcrest for making *Absolute Beginners* (1986), *The Mission* (1986), and *Revolution* (1985) on inflated budgets. These films, he argues, were made on the assumption that they were 'generalist fiction' when they were in fact only 'targeted fiction'.[34] Of course, what is meant by 'generalist ' fiction, in this context, is really fiction which will appeal to the 15-25 year old age group who constitute the largest proportion of the cinema audience, rather than any genuinely 'mass' audience. Audiences for European films have traditionally been older than the Hollywood average and one of the problems high-budget European productions have faced in the past is their failure to appeal to sufficiently large numbers of the young. David Puttnam, for example, has cited his own production *Meeting Venus* (1990) as an illustration of this.[35] Dale is no doubt right to be sceptical of the financial sense of expensive middlebrow productions with limited 'crossover' appeal . However, his own prescriptions for a 'revolutionary new kind of European cinema' based on 'universal' appeal and a shared European heritage is itself quite problematic.

Dale's argument is that the success of Hollywood in Europe is due to its successful use of universal themes which have a global appeal. There is certainly something to be said for the argument that part of Hollywood's success overseas has resulted from the ethnic mix (including immigrant Europeans) of its domestic audience and hence the adapting of its films to a more variegated audience than any other national industry (although, given the persistent demands for more diverse representations within Hollywood films, this is an argument which can be over-stated). However, this is not quite the same as saying that Hollywood films then have a 'universal' appeal, for 'universality' cannot be separated from the universal presence that Hollywood films have enjoyed since the 1920s as a result of Hollywood's economic power internationally.[36] What appears to be universal in this respect may actually be the consequence of familiarity. Moreover, there is considerable evidence to suggest that, while the appeal of Hollywood films may be widespread, the pleasures which they provide and the meanings which they offer are more varied and socio-culturally specific than the notion of 'universal appeal' would allow. Indeed, one of the pleasures for European youth provided by Hollywood films has often been its very difference from (and sometimes challenge to) the European cultural context in which it has been viewed.[37] Without a tradition of familiarity (and generic evolution) comparable to Hollywood and a cultural context which is sympathetic to it, it is therefore unlikely that European cinema can simply expect to tap into some source of 'universal' appeal (and given the strain which the 'universalising' discourses of European thought have been under in recent times there may be something insensitive about expecting it to).[38]

Of course, the second part of Dale's argument is that Europe should be able to provide such a context and that, despite the various linguistic, ethnic and national divisions that characterise Europe, there is still sufficient of a common European identity to sustain a popular pan-European cinema. Indeed, in his conclusion, he goes so far as to claim that it is diversity which has been the weakness of European films and that they must now find 'common themes and reference points'.[39] What these might be, however, is left vague and Dale is at a loss to identify much more than a shared goal of 'freedom' and some common obsessions with class, politics and national identity (which may well provide shared points of reference but are also experienced in quite particular and potentially divisive ways). The issue here is one that has been debated more generally in relation to European media policy. There has, for example, been considerable scepticism, particularly in relation to official EC rhetoric, about the existence of a supranational European culture or identity which it might be the job of the European audio-visual media either to defend or represent. There has also been a questioning of how adequate the dominant definitions of European identity actually are given their characteristic associations with whiteness, colonialism, Christianity and high culture.[40] Accordingly, it is difficult to see what reservoir of common cultural symbols a popular pan-European cinema might draw upon, particularly given the importance of 'high art' (both classical and modern) to the prevailing sense of European cultural identity. It is one of Dale's arguments that Europe should seek to recover what he regards as a lost 'tradition of popular fiction'.[41] However, popular European cinema, as Dyer and Vincendeau point out, has characteristically been the most national of European cinemas and the most confined to its own borders, due in part, they suggest, to the great importance of language to popular genres such as comedy.[42] The decline, as Dale sees it, of European popular fiction is therefore largely the result of the decline in the national cinema audiences necessary to sustain it and, of course, its subsequent migration to television where national programming still remains of such great importance.[43]

According to Ien Ang, 'a genuinely popular European cinema seems to be an impossibility'.[44] Her point here is actually to do with the irony and self-consciousness which she sees as characterising even those European films which strive to be 'popular' but it may have a more general validity. For the 'impossibility' which she identifies results from the national and cultural specificity of European popular traditions and the absence of any pan-European popular sensibility which could sustain a popular European cinema. The popular cinema which Europe shares emanates from Hollywood and Europe possesses neither the economic means nor the cultural resources to compete with it successfully. Indeed, it could be argued that the economics which now underpin Hollywood have made clear-cut distinctions between American and European cinema more difficult. For

Hollywood now operates on a more global scale than ever, providing films which are often less 'American' than transnational in character. Europe is now almost as much Hollywood's 'home' market as the US itself and many Hollywood films perform significantly better in Europe than in the States. Europe therefore features more strongly in Hollywood calculations and, as Ilott suggests, films are increasingly tailored 'to suit foreign audiences as much as Americans'.[45] The central product of the Hollywood studios is therefore the relatively rootless global 'event' movie which is increasingly divorced from the specificities of US experience. Indeed, as French suggests elsewhere in this volume, it is the gap now created by the event movie which has encouraged the emergence of a low-budget US cinema devoted to exploring contemporary US realities. It is therefore all the more ironic that so much thinking within Europe should be committed to ideas of competing with Hollywood or, as in Dale, developing its own 'global' fictions. For it is precisely the many spaces which Hollywood leaves empty that European films would most usefully be involved in filling.

Indeed, what is often absent from calls for a European 'fight back' strategy is any clear rationale of why this should be so desirable. What often animates such demands is simply indignation that Hollywood should command such a large proportion of European box-office or, even less helpfully, a refusal to accept that, in the case of film, Europe is not a world leader. However, if it is only a matter of economic clout and standing in the international market-place then there is the possibility, as indicated by London Economics, that Europeans simply opt for closer ties with Hollywood. Hollywood may have been increasing its global power but it has also been becoming increasingly international not just in its output, as noted above, but also in its ownership and operation. This has been most obvious in the acquisition of major studios by the Japanese but Europeans have also played a role. European banks have been responsible for financing Hollywood (and in the case of the state-owned French bank Crédit Lyonnais controls MGM); European companies (such as the French Canal Plus and Ciby 2000, the Dutch Polygram, and the Italian Penta) have all done deals with Hollywood; while European stars and directors have happily worked there. If Europe wants to become a major player in film then economic logic suggests continuing along this route makes the most sense and there are already European audio-visual companies with sufficient financial muscle to operate on a global scale.[46] Obviously, such an option will not answer the other concerns which the current state of the European film industries has given rise to, namely the consequences for the cultural output of Europe of Hollywood's domination of European screens. However, as should be evident from the preceding discussion, it is not at all clear that the defence and encouragement of European cultures will be well served by the project of a pan-European cinema either.

What unites the film industries in Europe is not any common European identity that a pan-European cinema can draw upon but rather a shared situation and set of problems which certain forms of European co-operation may help alleviate. As Ian Christie has suggested, the unity to which the European film industries should aspire is basically a strategic one based upon 'common need' rather than a common culture.[47] Two key developments – the EC's MEDIA programme and the growth of European co-production – give some indication of how this strategy can operate (despite some appearances to the contrary). Given its stated objective of 'creating a European audiovisual area', the MEDIA programme has often been characterised as a policy which seeks to develop a pan-European industry capable of competing with Hollywood.[48] Indeed, Dale goes so far as to claim that 'the EC initiative has declared itself to be Europe's first Major'.[49] However, this is a somewhat misleading characterisation of MEDIA's activities which operate on a relatively modest budget of around ECU 50 million per year and do not (except in a small way via SCALE) involve direct support for production. The main thrust of the MEDIA programme, in this respect, has been less concerned with forging a supranational industry than with 'promoting', as its documentation puts it, 'national industries at Community level' through various forms of assistance (in areas such as training, development and distribution).[50] Evidence of this use of European resources to enhance the viability of national industries is provided by the support which is given to the distribution (through EFDO and EVE) and exhibition (through SALLES and EUROPA CINEMAS) of national films across European borders. The objective, in this respect, is not to create pan-European films but rather to lay the basis for a pan-European distribution and exhibition network.

The growth of European co-productions also illustrates the potential for national industries to pool resources. Estimates, for example, suggest that while only 24 (out of 781) films made in Western Europe in 1975 were international co-productions this figure had risen to 203 (out of 552) by 1991.[51] In the same year 23 out of 49 UK films produced were international co-productions, including a large proportion with European partners.[52] This increase is evidently a result of the difficulties which national industries have faced. Co-production has not only increased the amount of production finance which is available to the European film-maker but has also reduced some of the film-maker's financial risks by enhancing the opportunies for distribution and financial returns in the co-producing countries. However, co-production also has its pitfalls.The financial involvement of more than one country has exerted pressures on the types of projects which have been put together and the resulting films have often paid the price in terms of a loss of cultural specificity and the incorporation of a number of spurious pan-European elements. This is a tendency which the desire for a big-budget pan-European cinema could continue to fuel but it is not an inevitable consequence of co-production which can also be used to produce films genuinely grounded in European and national realities. However, this is most likely to occur, as Ed Buscombe suggests, when 'finance is derived from various countries but production is essentially controlled by one'.[53]

What has been suggested so far is that the enthusiasm, in some quarters, for a big-budget pan-European cinema is misplaced. For while cinemas in Europe share problems in common the solution to them does not appear to be the creation of a common cinema. Rather it is through the mobilisation of transnational resources in support of national and regional cinemas rooted in specific cultures that the cause of a genuinely European cinema would be most successfully advanced. Nonetheless, within Europe, film policy still remains significantly national in character and many of the arguments which characterise debate about European cinema are also played out at a national level. This is particularly so of Britain where the sense of identity with Europe has characteristically been more troubled than in other European countries and where the relationship with the US has often been perceived as stronger.

Of all European countries it is Britain which has hankered the most after success in America and has sought to compete in the US home market. Attempts to crack the States date back to the 1930s, and the efforts of Alexander Korda, and have been repeated on various occasions since.[54] During the 1970s and 1980s, Rank, Thorn-EMI and Goldcrest all sought to make films for the US market and all did so with disastrous results. Ironically, at the time of Goldcrest's collapse (precipitated by the three high budget projects already mentioned : *Absolute Beginners, Revolution*, and *The Mission*) a number of much more modestly-budgeted films were finding success in the US (such as *Room With A View*, 1986, *Mona Lisa*, 1986, and *My Beautiful Laundrette*,1985). However, this too proved a short-lived trend when the US independent distributors which had sustained it found themselves in financial difficulties as a result of increasing competition from the majors. However, despite this unpropitious record the British industry is still reluctant to admit defeat. Indeed, the 1993 Oscar nominations for *Howards End* (1991), *The Crying Game* (1992), and *Enchanted April* (1991) (all films which did well in the US but much more modestly in Britain) have helped to revive the belief that British films might yet be world-beaters.[55] This belief has in turn conditioned some of the attitudes which are then taken towards Europe.

Such a belief, for example, animates the view that it is Europe which holds out the possibility of a re-constructed British film industry aimed at the US and that it is Britain which is the country most advantageously placed to be the hub of a 'pan-European' cinema. This is perhaps best summed up in the idea of Britain as 'the Hollywood of Europe' which has been attributed to Lew Wasserman, the former head of Universal and surprise participant in the Downing Street seminar on the British film industry, chaired by the then Prime Minister Margaret Thatcher in June 1990. Indeed, it has been suggested that Mrs. Thatcher's own belated bout of enthusiasm for the film industry, following years of neglect by her government, was precisely such a vision of 'Britain as the future centre of European film-making'.[56] It is an idea which has also been expounded by the Director of the BFI, Wilf Stevenson, in his preface to to the *UK Film Initiatives* series. In this he argues that, for European film-makers, 'it makes sense to try to break into the US market' and that the UK, standing at the crossroads between the United States and Europe, is therefore the natural home for a European cinema which wishes to export its products 'to the biggest market in the western world'. He therefore concludes, in a remark entirely free of the spirit of European co-operation, that it is the UK which 'stands the best chance of winning the battle within Europe to dominate the film market'.[57]

The problems with such formulations are, of course, manifold. If British films have traditionally failed to succeed in the US there is no particular reason to suggest that European films made in the UK in English are likely to do any better. Nor is there a great deal of evidence that European film-makers will want to. Indeed, the film policies of countries such as France have been designed precisely to defend the making of films in their own languages. Moreover, as has been seen, even proponents of a big-budget pan-European cinema do not envisage the US as its primary market but rather an enlarged European one and as such would not necessarily see the UK as its most desirable home. Dale's strongest candidates for a centre of European film-making, for example, are Paris, Berlin, Barcelona and Milan.[58] As Ben Gibson suggests, Britain's claims to be at the centre of European film-making are not based on a commitment to Europe at all but rather on 'an idea of being more American than other Europeans' and hence of being less, rather than more, European than other countries.[59]

There has also been an element of spurious 'Europeanism' in some of the other appeals which have been made to Europe. What has been evident is that, along with Ireland, the UK has been until recently one of the European film industries least well-served by national government. During the 1980s, the Conservative government, led by Mrs. Thatcher, removed the quota for British films, abolished the Eady levy (designed to return funds to production), 'privatised' the National Film Finance Corporation (subsequently British Screen) and put an end to the tax incentives which had fuelled much of the investment in film in the early 1980s. It was not surprising therefore that, by the end of the decade, investment in film had declined, the number of films made had dropped and US domination of the domestic box-office had increased.[60] This weakness in the production sector of the industry engendered a certain envy of the systems of support available in other European countries (especially in France and Germany) and Europe was increasingly used as a yardstick by which to measure the health of British production. As a *Screen Digest* survey of state aid in the EC countries observed, the British government's 'flight from interventionism' appeared to go against Community plans for 'harmonisation' of trade practices and it became a recurring complaint that British film-makers suffered from the lack of 'a level playing field' in Europe.[61] Indeed, the force of this argument was finally conceded when the UK government belatedly agreed to finance a European Co-production Fund, to be administered by British Screen, and then to pay the subscription to Eurimages, the last Western European country to do so. A specific incentive in the case of Eurimages was, of course, the fact that Ireland had already joined and therefore looked set to reap the benefits of being the only member of Eurimages to have English as an official language.[62]

While these are important developments there is also a sense in which they emerged under the pressure of necessity rather than from real commitment to Europe. Terry Ilott, for example, has suggested that much of the British enthusiasm for Europe in the early 1990s stemmed from the experience of failure in the US and was largely oblivious to the cultural aspects of a re-orientation towards Europe.[63] There is also little doubt that the appeal of European co-production for the Conservative government had more to do with the prospects of attracting European film-makers to Britain (possibly with a view to making films in English) than with helping British film-makers become more successful with European audiences. This is not, of course, how the policy of the European Co-production Fund, which has even shown itself willing to back films other than in English, has actually been implemented but there is still a strong sense, nonetheless, that the British film industry remains reluctantly European and still hankers after transatlantic success.[64]

This is not to say, however, that Europe necessarily provides an answer to the British film industry's problems or that films self-consciously aimed at European audiences are especially desirable. Certainly, as Ben Gibson has argued, British producers do need to explore further the market for a more 'European' kind of British film but the evidence suggests that this is likely to be a kind of film which is also specifically British.[65] As even the British trade paper, *Screen International*, has acknowledged the most successful European initiatives appreciate that 'international funding can be spent on very local projects' and that 'the best local films derive their appeal from their cultural specificity', citing as examples, in the case of Britain, both *Riff-Raff* (1990) – winner of the European Film Award for Best Film in 1991 – and *Edward II* (1991).[66] As these two examples suggest, the contemporary British film, in order to have European appeal, need not be particularly expensive (*Riff-Raff* cost £0.75 million, *Edward II* £1.1 million) and can maintain both a level of artistic adventurousness and socio-cultural complexity.

Moreover, it is precisely such socio-cultural complexity which is the hallmark of a genuinely 'national cinema'. As I have suggested elsewhere, the traditional conception of a British 'national cinema' as in some way expressive of a unified 'British culture' or 'British way of life' is no longer adequate (if, indeed, it ever was).[67] Rather the 'national' cinema, which is properly 'national', must be capable of registering the lived complexities of 'national' life, be sensitive to the realities of difference (of nation, region, ethnicity, class, gender and sexual orientation) and alert to the fluidity, as well as assumed fixity, of social and cultural identities. It must also recognise the increasingly hybrid and relational character of cultural identities both within the 'nation' and between nations. In a sense this then brings us back to the question of European cinema. I have been critical of the idea of a synthetic pan-European cinema and have argued instead for the importance of cinemas (national, regional, local) in Europe. This is not to suggest, however, that the 'European' and the 'national' are then locked in opposition. Rather, it is to indicate that what common European identity there is, or might be, only co-exists alongside and intermeshed with the nationally and culturally specific. Ironically, therefore, the experience of 'being' or 'becoming European' might be precisely one of the areas which a national, or nationally specific, cinema could and should address.

Table One

CINEMA ADMI

	1960
Belgium	79.56
Denmark	43.92
France	354.67
German Fed Rep	604.80
Greece	61.20
Ireland	41.00
Italy	744.80
Luxembourg	4.50
Netherlands	55.44
Portugal	26.59
Spain	370.00
UK	500.80
EC	*2,887.28*
Austria	106.50
Finland	24.60
Iceland	..
Norway	35.00
Sweden	55.00
Switzerland	40.00
other W Europe	261.10
all Western Europe	*3,148.38*

Source: *Screen Digest*

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Table One

CINEMA ADMISSIONS: 1960-1990 (millions)

	1960	1970	1980	1985	1986	1987	1988	1989	1990
Belgium	79.56	30.39	20.65	17.87	17.73	16.08	15.22	16.07	17.10
Denmark	43.92	23.86	15.90	11.30	11.40	11.50	9.96	10.30	9.62
France	354.67	184.40	174.80	175.00	167.80	136.70	124.70	120.90	121.90
German Fed Rep	604.80	167.40	143.80	104.20	105.20	108.10	108.90	101.60	102.50
Greece	61.20	128.60	42.99	23.00	22.00	19.50	17.00	17.50	13.00
Ireland	41.00	20.00	9.50	4.50	5.00	5.20	6.00	7.00	7.40
Italy	744.80	525.00	241.90	123.10	124.87	108.84	93.13	94.79	90.70
Luxembourg	4.50	1.30	0.80	0.70	0.70	0.60	0.50	0.50	0.54
Netherlands	55.44	24.14	25.58	15.30	14.80	15.50	14.80	15.60	14.60
Portugal	26.59	28.00	30.80	19.00	18.40	16.90	13.70	11.55	11.00
Spain	370.00	330.86	176.00	101.10	87.30	85.70	69.60	78.10	78.50
UK	500.80	193.00	101.00	72.00	75.70	78.40	84.00	94.60	97.20
EC	*2,887.28*	*1,656.95*	*983.72*	*667.07*	*650.90*	*603.02*	*557.51*	*568.51*	*564.06*
Austria	106.50	32.90	17.50	13.30	12.60	11.20	10.00	10.30	10.20
Finland	24.60	11.70	9.90	6.70	6.30	6.50	6.70	7.20	6.20
Iceland	..	..	2.60	1.40	1.30	1.30	1.10	1.20	1.24
Norway	35.00	18.58	17.50	12.90	11.10	12.37	11.65	12.60	11.40
Sweden	55.00	28.20	24.00	17.90	16.60	17.50	17.50	17.00	14.54
Switzerland	40.00	32.00	20.90	16.40	16.30	16.00	14.90	15.20	14.30
other W Europe	261.10	123.38	92.40	68.60	64.20	64.87	61.85	63.50	57.88
all Western Europe	*3,148.38*	*1,780.33*	*1,076.12*	*735.67*	*715.10*	*667.89*	*619.36*	*632.01*	*621.94*

Source: *Screen Digest*

Table Two

FILMS PRODUCED 1965-1990

	1965	1970	1975	1980	1985	1988	1989	1990
Belgium	1	4	9	6	7	15	10	20
Denmark	18	20	18	13	9	16	18	13
France	151	138	162	189	151	137	136	146
Germany	72	113	73	49	64	57	68	48
Greece	96	88	38	27	27	19	8	..
Ireland	1	5	2	5	2	5	3	3
Italy	188	235	198	163	89	124	117	119
Luxembourg	..	0	0	0	1	1	3	1
Netherlands	1	4	16	7	13	10	13	21
Portugal	..	8	16	9	9	16	7	9
Spain	135	107	110	118	77	63	48	47
UK	69	86	69	31	47	40	27	47
EC	732	808	711	617	496	503	458	474
Austria	21	7	6	4	12	9	11	14
Finland	9	13	5	10	15	14	10	13
Iceland	..	..	0	3	5	2	2	2
Norway	11	11	15	10	12	9	10	12
Sweden	21	22	14	20	17	21	26	25
Switzerland	10	5	30	13	34	20	16	19
rest W Europe	72	58	70	60	95	75	75	85
total W Europe	804	866	781	677	591	578	533	559

Source: *Screen Digest*

Table Three

US FILMS' SHARE OF NATIONAL MARKET 1980-1990

	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
	%	%	%	%	%	%	%	%	%	%	%
Belgium	47.0	48.0	43.0	52.0	54.0	68.0	72.0	62.0	64.0	68.9	73.5
Denmark	44.5	45.0	70.0	53.0	70.0	61.2	65.5	65.8	71.0	63.6	77.0
France	35.2	30.8	30.0	35.0	36.8	39.1	43.3	43.8	45.9	55.3	56.9
Germany	54.9	52.9	55.4	60.4	65.8	59.0	62.6	58.3	64.4	65.7	84.8
Greece	58.0	56.0	51.0	56.0	63.0	76.0	79.0	81.0	85.0	86.0	87.0
Ireland	88.0	87.0	86.0	84.0	83.0	83.0	85.0	86.0	82.0	85.0	87.0
Italy	33.7	32.6	32.0	41.6	47.6	48.6	51.3	48.1	56.0	63.1	69.4
Luxembourg	60.0	60.0	62.0	62.0	64.0	65.0	65.0	65.0	65.0	64.0	65.0
Netherlands	46.2	46.0	51.4	51.9	60.5	74.3	78.6	63.9	75.0	78.0	82.0
Portugal	46.0	56.0	44.0	47.0	48.0	51.0	64.0	67.0	72.0	81.0	85.0
Spain	35.0	50.0	50.0	50.8	53.8	58.4	64.1	58.4	64.2	71.4	72.5
UK	88.0	85.0	82.0	78.0	81.0	84.0	86.0	89.0	77.0	84.0	89.0
EC	..	..	..	..	..	64.0	..	..	68.5	72.2	77.4

Source: *Screen Digest*

NOTES

1 See, for example, Philip Schlesinger, 'Collective Identities in a Changing Europe' in Martin McLoone (ed.), *Culture, Identity and Broadcasting in Ireland* (Belfast: Institute of Irish Studies, 1991) for some discussion of the place of Eastern Europe in the new European order.

2 Stuart Hall, 'Cultural Identity and Cinematic Representation' in *Framework*, no.36, 1989, p.70.

3 However, it should be noted that membership of the MEDIA programme has not been restricted to EC members. Five European Free Trade Association (EFTA) countries – Austria, Finland, Iceland, Norway and Sweden – joined in March 1993, Hungary joined in July 1993 and Poland joined the MEDIA line EFDO (European Film Distribution Office) in 1992.

4 *European Filmfile*, no. 4, vol.1, April 1993, pp.1–7.

5 Even a very minimal definition of a European film is not necessarily straightforward as *Screen Finance* has revealed in relation to EC directives and their interpretation by individual member states. See Nick Hobdell, 'Europe wrestles with burgeoning film definitions', *Screen Finance*, 3 November 1993, pp.9–11.

6 Writing in the 1960s, Alan Lovell suggests that there is a unity to European cinema based upon ' a sense that the cinema can be used as a medium for personal artistic creation ... (and) ... a feeling that the film-maker has a rightful place in the artistic tradition of his society'. See 'Introduction' in Alan Lovell (ed.) *Art of the Cinema in Ten European Countries* (Council for Cultural Co-operation: Strasbourg, 1967), p.19 ; also Steve Neale, 'Art Cinema as Institution' , *Screen*, vol. 22, no.1, 1981. The partial decline of the European art film during the 1980s and 1990s is discussed by Thomas Elsaesser, 'Chronicle of a Death Retold', *Monthly Film Bulletin*, June 1987, pp.164–67.

7 See 'Cinema and Their Audiences : Just Holding On', *Screen Digest*, September 1992, p. 205.

8 'Film Production : Signs of European recovery?', *Screen Digest*, April 1992, p.82; also 'European Film Production : Growth Potential Identified', *Screen Digest*, March 1991, p.60.

9 ibid., p.62.

10 See Matteo Maggiore, *Audiovisual Production in the Single Market* (Luxembourg : Commission of the European Communities, 1990), p.60.

11 Lawrence Cohn, 'Unbearable Lightness of Being in Foreign Film Production', *Variety*, 4 May 1988, pp. 59, 203–227.

12 Lloyd Shepherd, 'UK films get $150million at the US box-office', *Screen Finance*, 24 February 1993, pp. 6–10. It is also worth noting that the biggest success in 1992, *The Lawnmower Man*, was only marginally a 'British' production.

13 These figures and percentages are derived from calculations made by Goldman Sachs which appear in *Screen Finance*, 5 May 1993, p.8.

14 According to estimates in *Screen Digest*, video (both retail and rental) accounted for 41.1 per cent of European spending on film in 1992, cinema box-office accounted for 34.8 per cent and pay TV (on the basis of less than 6% penetration of homes with television) accounted for 24.1 per cent. See 'Spending on the Movies: The new media mix', *Screen Digest*, March 1993, pp.59–60.

15 Terry Ilott, 'UK Film, Television and Video : Statistical Overview', in *BFI Film and Television Yearbook 1993* (London : BFI, 1992), p.63.

16 'US penetration of Europe grows 50 per cent in 12 years', *Screen Finance*, 25 March 1992, pp. 14–15.

17 'Film Production : Signs of European recovery?', p.84.

18 'Hollywood increases its penetration of East Europe', *Screen Finance*, 3 June 1992, p.15.

19 'European Film Production', p. 64.

20 See London Economics, *Retailing European Films: The case of the European Exhibition Industry* (Madrid: Media Business School, 1993). UIP was granted an exemption from EC anti-competition rules in 1989 but this was up for review in 1993. See Nick Hobdell, 'UIP faces new EC competition debate as five-year exemption expires', *Screen Finance*, 30 June 1993, pp.1–3.

21 The expansion of US exhibition interests in Europe is discussed in 'European Cinema : Britain leads renaissance' in *Screen Digest*, August 1989, pp.177–184.

22 Steve Neale, 'Art Cinema as Institution', p.34. It is not entirely the case that Hollywood domination has always been perceived in national terms. Kristin Thompson discusses the emergence of the idea of 'Film Europe' in the 1920s in *Exporting Entertainment : America in the World Film Market 1907–1934* (London: BFI,1985).

23 ' Film Production : Signs of European Recovery?', pp.81–88.

24 *Screen Finance*, 5 May 1993, p. 9. What these figures also reveal is that while the studios continued to make more or less the same number of films during the 1980s (150 in 1982 and 157 in 1989) their average cost rose considerably (from $16.7 million to $32.7 million in the same period). The size of Hollywood budgets (and the large proportion spent on advertising and promotion) has, of course, tended to reinforce the competitive advantage of Hollywood in the world film market.

25 *Screen Finance*, 7 October 1992, p. 12. In 1992 the Hamburg Film Fund, one of the largest in Europe, also announced its intention to fund fewer, more expensive films. See *Screen International*, 10–16 July 1992, p. 5.

26 John Hopewell, 'Doing the Continental : A push for European Film', in *Moving Pictures International*, 28 January 1993, p.27.

27 British Screen Advisory Council, *The European Initiative : The Business of Film and Television in the 1990s* (London : BSAC, 1991), pp.4–5.

28 Jane Headland and Simon Relph, *The View from Downing Street* (London : BFI, 1991), p.21.

29 Coopers and Lybrand, *European Film : Industry or Art?* (London,1992).

30 Martin Dale, *Europa Europa : Developing the European Film Industry* (Academie Carat and Media Business School, 1992), p.93.

31 London Economics, *The Competitive Position of the European and US Film Industries* (Madrid : Media Business School, 1993), chap. 7.

32 Dale, *Europa Europa*, p.84.

33 Coopers and Lybrand, *European Film*, p. 8.

34 Dale, *Europa, Europa* , p.64.

35 See John Hopewell, *Professional Film and TV Production : Seminar Report* (Madrid : Media Business School, 1991), pp.31–2.

36 This is a point well made by John Tomlinson in *Cultural Imperialism* (London: Pinter, 1991).

37 See, for example, Soren Schou, 'Postwar Americanisation and the

revitalisation of European Culture' in Michael Skovmand and Kim Christian Schrøder (eds.) *Media Cultures : Reappraising Transnational Media* (London : Routledge, 1992).

38 The universal pretensions of the Enlightenment tradition have, of course, been subject to considerable critique by both 'postmodern' and 'postcolonial' theory. Agnes Heller and Ferenc Feher explicitly identify the 'end of the European project' as one of the central goals of postmodernism: 'At some point the time had to come when Europeans were bound to question the project "Europe" as a whole; when they had to expose the false claim of universalism inherent in the "European particular".' See Heller and Feher, *The Postmodern Political Condition* (Cambridge : Polity Press, 1990), p.2.

39 Dale, *Europa,Europa* , p.93

40 See, for example, Kevin Robins, 'Reimagined Communities? European Image Spaces, Beyond Fordism', *Cultural Studies*, vol.3, no. 2, 1989, pp. 145–165.

41 Dale, *Europa,Europa*, p.1

42 Richard Dyer and Ginette Vincendeau, 'Introduction' in Dyer and Vincendeau (eds.), *Popular European Cinema* (London : Routledge, 1992).

43 The evidence suggests that, unlike the cinema, European television audiences maintain a preference for domestic programmes. According to research by Television Business International, the average proportion of European programming shown on the various national channels in Europe was 68 per cent in 1989. See, Janet Watson (ed.), *Co-Production Europe* (London:IPPA, 1990), p.1.

44 Ien Ang, 'Hegemony-in-Trouble : Nostalgia and the Ideology of the Impossible in European Cinema' in Duncan Petrie (ed.), *Screening Europe : Image and Identity in Contemporary European Cinema* (London : BFI, 1992), p.28.

45 Terry Ilott, 'What Europe Really Needs', *Impact*, no.5, August 1992, p. 23.

46 According to figures in *Screen Digest*, there are three European companies – Philips (Polygram), Italy's Fininvest and Germany's Bertelsmann – amongst the leading top ten audio-visual companies in the world as measured by turnover. See 'The World's Top AV Companies', *Screen Digest*, August 1993, pp.181–184.

47 Ian Christie,'National Cultural Identity in Television and Film – European Methods of Subsidising National Production and Protection Against Multinational Penetration', in *The European Film in the World Market* (Austrian Film Commission, 1989), p.17.

48 *MEDIA : Guide for the Audiovisual Industry* (Brussels : Commission of the European Communities, 1992), Edition 8, p.3.

49 Dale, *Europa,Europa*, p. 47.

50 *MEDIA : Guide*, p.3. For a summary of the projects supported by MEDIA, see the appendix to Paul Hainsworth's chapter in this volume.

51 'Film Production : Signs of European Recovery?', p.82.The definition of a co-production being employed here is a generous one and includes both 'official' co-productions made under inter-government treaties (in order to take advantage of national forms of support) and 'unofficial' ones; it also includes a variety of co-production arrangements (including co-financing and pre-selling). For an overview of co-production arrangements, see Janet Watson (ed.), *Co-Production Europe*.

52 *Screen Finance*, 11 August 1993, p. 11.

53 Edward Buscombe, 'Nationhood, Culture and Media Boundaries : Britain' in *Quarterly Review of Film and Video* , vol. 14, no. 3, 1993, p. 30.

54 For an overview of these attempts see Robert Murphy, 'Under the Shadow of Hollywood' in Charles Barr (ed.), *All Our Yesterdays : 90 Years of British Cinema* (London :BFI, 1986), pp.47–69.

55 While *Howards End* was the most financially successful British film of 1992 it was still only 35th in the UK box-office ranking for the year. As for *Enchanted April*, its box-office performance was insufficient for it to figure in the top 150 for 1991 and by the time of the Oscar nominations it had already been shown, without ceremony, on television as part of the BBC's *Screen Two* series.

56 Mark Le Fanu and Neil McCartney, 'Troubled Working Party Report Unlikely To Be Ready Before Autumn', *Screen Finance*, 12 June 1991, p.2.

57 Wilf Stevenson, 'Preface', in Headland and Relph, *The View From Downing Street*, p.viii. The idea of Britain as the 'Hollywood of Europe' has been continued in the sixth volume to appear in the *UK Film Initiatives* series : Geoff Mulgan and Richard Paterson (eds.) *Hollywood of Europe : The Future of British Film* (London : BFI, 1993).

58 Dale, *Europa,Europa*, p.45.

59 Ben Gibson, 'Unpack the Pudding', *Impact*, no.5, October 1992, p. 16.

60 For a review of these developments see John Hill, 'Government Policy and the British Film Industry 1979-90', *European Journal of Communication*, vol.8, no.2, 1993, pp.203–24.

61 'State Film Aid Schemes', *Screen Digest*, July 1984, p.127. The differences in national funding of film within Europe are summarised in Patricia Perilli (ed.), *A Level Playing Field?* (London : BFI, 1991).

62 The UK officially joined Eurimages on 1 April 1993 after a three-month period of informal membership. Peter Greenaway's *Prospero's Books* (1991) had previously received support from Eurimages but this was because of the involvement of co-production partners from three member states (France, Italy and the Netherlands).The first majority-UK co-production to receive support was the the Anglo/French documentary *Tales From A Hard City* and the first majority-UK feature (with Italian and Swiss partners) was, *In the Hollow of the Deep Sea Wave* .

63 Terry Ilott, 'Failure in USA stokes enthusiasm for Europe', *Screen Finance*, 6 September 1990, p.9.

64 The European Co-production Fund (ECF) was set up in 1991 as a subsidiary of British Screen Finance on an initial budget of £5 million over three years. By 1993 six ECF-backed films had been completed, including *Orlando* (1993), *The Cement Garden* (1993) and *Damage* (1993), and a further seven had gone into production, including a French co-production, *Le Roi de Paris* and the Irish/German/Dutch co-production, *Rosaril*. The European Co-production Fund has been instrumental in increasing the money coming from Europe into UK production and, in 1992, EC sources provided 31 per cent of British Screen's total investment in film, compared with only 3 per cent in 1989. See Lloyd Shepherd and Neil McCartney, 'EC raises 30 per cent finance for BSF films', *Screen Finance*, 6 October 1993, pp.1, 12–16.

65 Ben Gibson, 'Seven Deadly Myths', in Duncan Petrie (ed.), *New Questions of British Cinema* (London : BFI, 1992), p.32. Gibson is head of BFI Production which has increasingly orientated itself towards Europe. See 'BFI Takes European Co-Production Route', *Screen Finance*, 12 August 1992, pp.13–16.

66 Oscar Moore, 'UK Preview 1992', *Screen International*, 24 January 1992, p. 13. The dangers of too self-consciously a European approach are illustrated by one of Ken Loach's films prior to *Riff-Raff*, the UK/German/French co-production *Fatherland* (1986) which awkwardly links together its German and British plot-lines and lacks the sense of a specific social milieu characteristic of Loach's best work.

67 See John Hill, 'The Issue of National Cinema and British Film Production' in Petrie (ed.), *New Questions of British Cinema*, pp. 10–21.

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BORDER CROSSING

FILM IN IRELAND, BRITAIN AND EUROPE

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