

Film is Art

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“Look Back in Anger”

The notion of film as art became widespread in Finland only after the Second World War, later than in most other European countries. Earlier the film was understood primarily as an industry. Even if the “Finnish Hollywood” disappeared already at the beginning of the 60s, the position of film as an art form was finally acknowledged not until in the 1970s.¹

The conception of film as an industry is still prevalent in the United States. In Europe there has been a shift to thinking film primarily as an art form. Only in recent years there has been a wish, in correspondence with EU policies, to emphasize with the information society in mind the significance of European movie production as an industry of tomorrow.²

The development which in Finland led to the understanding of film as an art form, was not necessarily fast, simple or without its crises. Even before the Second World War, there were individual intellectuals who considered film as an art of the director (i.e., Roland af Hällström). A wider cultural discussion was launched not until the 1950s, and people like Jörn Donner, Jerker A. Eriksson and Aito Mäkinen participated in it. They were all engaged in establishing the movie club Studio in 1952 which together with “Akateeminen Filmikerho” [Academic Film Club] from the same year, was the first herald of the new movie club movement and eventually, the Finnish Film Archive.³

By the end of the 1960s and early 1970s, film cultural organizations (The Finnish Film Archive, The Federation of Finnish Film Clubs, The Finnish Film Workers) had taken the film policy initiative. Their policies were aimed at getting film recognized

as a form of art equal to the other arts and, in particular, expand the support of film production and make it a function of the state. The discussion in the 1970s was dominated by the committee on film policy (1970-1974) and reactions to its proposals.⁴

As a whole, the development in the 1970s manifested itself in a significant expansion of the state’s film cultural policies. A kind of a highlight was when two institutions based on the conception of film as art were established. The administrative Council of the Finnish Film Foundation (established in 1969) was renewed on a wider basis in 1976. Originally the administration was based on the co-operation of film entrepreneurs and the state. The change meant de facto that a new form of an art support organization was born, and that in a redistribution of resources, the relative weight of the views of the cultural organizations grew essentially. An alternative to the renewal of the foundation was the committee’s proposal to establish an institute for the promotion of film, but as too radical and technically too difficult to carry out, the idea lost to a more evolutionary solution based on the Finnish Film Foundation. Ultimately, they both had the same basic goal: to promote film art. Another institutional solution based on a conception of film as art was the establishing of the national Film Archive in 1979.

There is an extensive and good exposition on these developments which sums things up from the production viewpoint:

After the destruction of the production model characteristic to the studio system, there was a shift in Finland to a cultural production model where the national film was seen as art.⁵

“Drifting Clouds”

The purpose of this article is to examine *preliminarily* what the victory of the art conception has meant in Finland especially in terms of demand for domes-

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tic films. The demand for films consists, of course, of many different factors, and the art point of view is but one of them. These factors are not discussed here in any detail because, for simplicity's sake, the viewpoint chosen covers changes in demand during the period when film (production) has been considered as art. These decades are the 1980s and 1990s.

In estimating the changes in demand I use a demand curve model borrowed from Martin Dale. In the Dale model, the curve is formed on the basis of revenues which different films have received. For Finland, though, I use as basis the attendance numbers because this makes it easier to compare the demand in two different decades.⁶

At first I examine the changes in the demand as a whole. Table 1 shows the changes in film attendance figures for years 1980-1998.

In the period in question, the demand for films has decreased dramatically. There has been a drop from over 9 million viewers a year (1980-1993) to a level of 5.5 million viewers per year (1992-1996), a decline of 40 percent. The viewer number of foreign films has dropped from a yearly level of 8 million to the level of 5 million viewers; the decline here, too, is about 40 percent. The viewer figures for domestic films has dropped from 1.5 million to below 0.5 million, the worst year being 1996 (only 0.2 million viewers). This means that there is a very sharp decline in attendance for domestic films, as much as 70 percent, to a third of the level at the beginning of the 1980s.

Figure 1 shows the demand curves for domestic films in the 1980s and 1990s. The curves show from another angle the same phenomenon described ear-

lier, the change in numbers of movie audiences. Interestingly, there aren't great changes in the form of the curve; it has merely moved lower, describing a diminishing demand on all levels. Because there were few domestic hit films to begin with (The curve takes a sharp turn downwards), after the demand has gone down, it is natural that nowadays there are even less domestic hit films and that a great part of the films don't get any audience at all in the theaters (television is another matter). In the years 1992-1996 there were in all 50 feature films produced in Finland. Half of these, 25 films, received only 3% of the audience of all the domestic films. Reciprocally, the top five films (10% of all) received 53% of the audiences. These were: *Kivenpyörittäjän kylä* (1995), *Uuno Turhapuro Suomen tasavallan herra presidentti* (1992), *Kummeli Stories* (1995), *Uuno Turhapuron poika* (1993) and *Vääpeli Körmy ja etelän hetelmät* (1992). Comedies and farces have thus been the most popular films also in the 1990s but clearly on a lower level than in the 1980s.

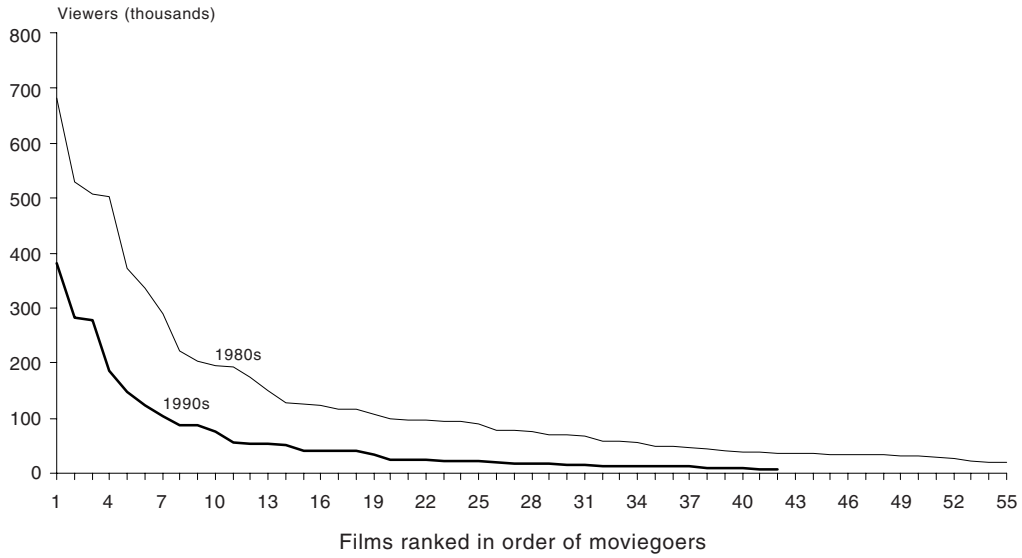
The development for foreign films has been different (Figure 2). The number of viewers for the most popular films have decreased only a little, and surprisingly, the curve goes down more slowly in the 1990s than in the 1980s. This means that films with an average audience has got more viewers in the 1990s than in the 1980s. There is an explanation to this which I have given in one of my articles:

In analyzing the figures of the Finnish Film Foundation, one notices that while the really huge successes have disappeared with the

Table 1. *The Development of Film Attendance in Finland 1980-1998 (millions; domestic films 1987 – thousands attendants)*

	Total	Foreign	Domestic
1980	9 925	8 398	1 527
1981	9 411	8 125	1 286
1982	9 055	7 588	1 467
1983	9 090	8 017	1 073
1984	7 600	6 113	1 487
1985	6 700	5 253	1 447
1986	6 300	4 867	1 433
1987	6 510	5 553	957
1988	6 690	5 934	756
1989	7 230	6 695	535
1990	6 190	5 336	854
1991	6 030	5 246	784
1992	5 400	4 811	589
1993	5 750	5 388	362
1994	5 610	5 380	230
1995	5 300	4 744	557
1996	5 490	5 287	203
1997	5 940	5 581	319
1998	6 400	5 760	640 estimates

Figur 1. *The Demand for Domestic Films in the 1980s and 1990s*

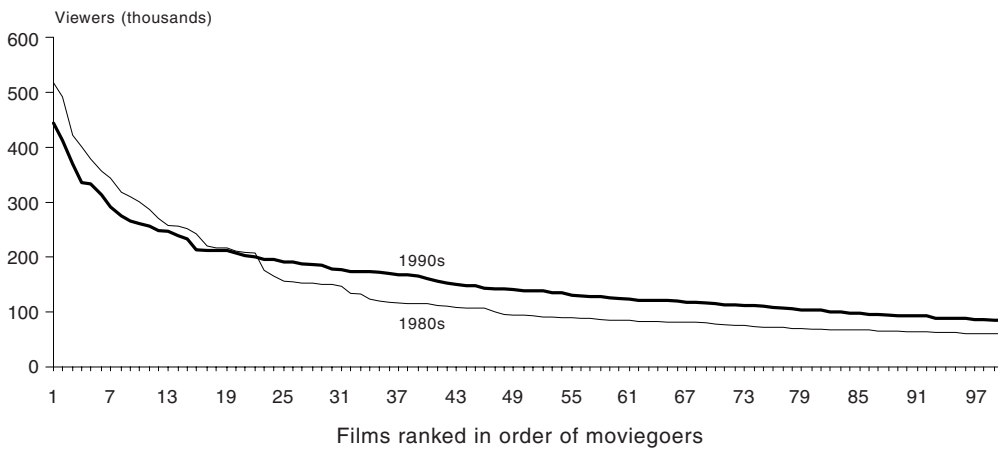


downfall of movie attendance, the viewer figures for the most successful films go down slower and more evenly in the material for the 1990s. This is explained mostly by a more effective showing of the films in the 1990s when compared with the 1980s. The multiplexification of movie theaters, the birth in city centers of theaters with multiple screens, has in the 1990s provided a chance to adapt the supply of films to the demand in each given situation, and thus prolong the life-span

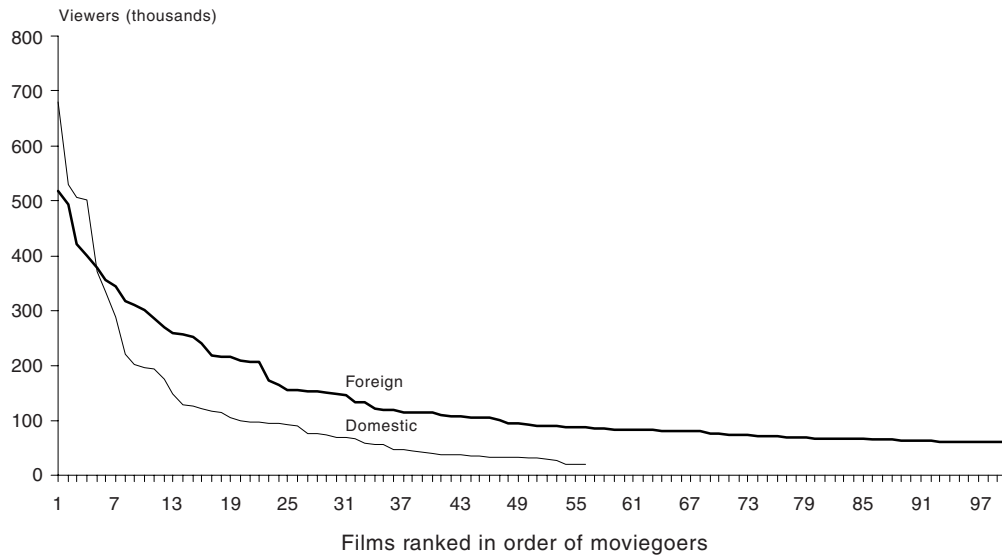
of the single film in movie theaters. A summary of the development during the last ten years is that fewer movies are shown in smaller theaters for fewer people at a time but for longer periods.⁷

The demand for domestic films, also for the successes, has fallen from the 80s to the 90s far more drastically than the demand for foreign films (see figures 3 and 4). In fact, in the 80s, the top of the domestic films received more viewers than the top

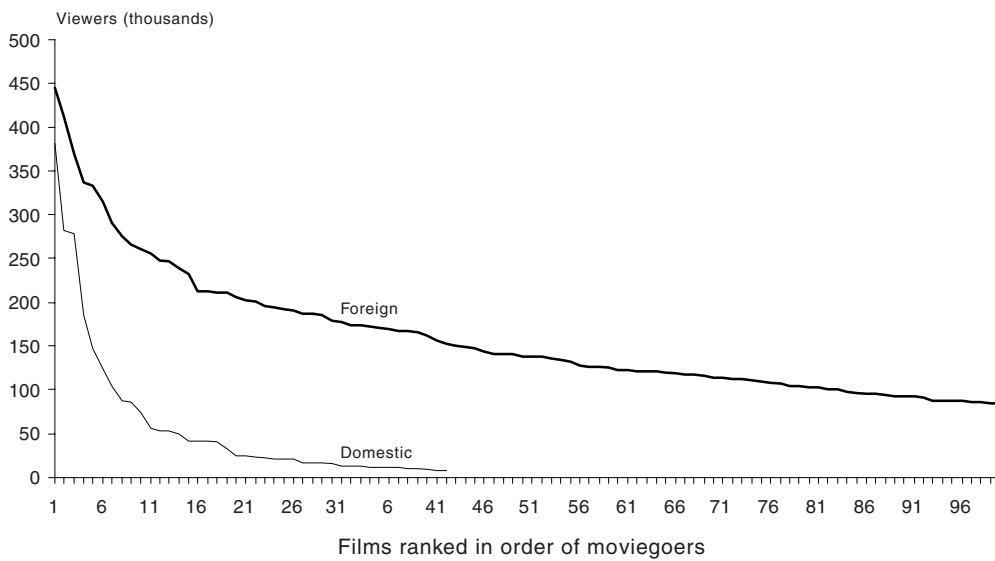
Figur 2. *The Demand for Foreign Films in the 1980s and 1990s*



Figur 3. *The Demand for Foreign and Domestic Films in the 1980s*



Figur 4. *The Demand for Foreign and Domestic Films in the 1990s*



of the foreign films. Also on the middle level, when foreign films now receive more viewers than before (the curve goes down slower), the middle level of domestic films receive less viewers than before. (the level of the curve has gone down). The difference between the demand for domestic and foreign films has grown greatly, to the disadvantage of domestic films.

On the level of single films, the most successful on a yearly basis in the 80s were sequels to the domestic Turhapuro-series. Out of the five films receiving the most viewers, four are Turhapuro-films. (The most successful of these is the military farce *Uuno Turhapuro armeijan leivissä* 1984. Only *E.T. The extraterrestrial*, (1982) can with its third place break the onslaught of the Turhapuro-films. In

the 1990s the popularity of the Turhapuro-films has waned, and to the top five films as audience figures go, belongs only one Turhapuro, and even that stems from the beginning of the decade, *Uno Turhapuro herra Helsingin herra* (1991) which is third in the ranking. It is symptomatic that out of the five most popular films in the 1990s, three are American with *Jurassic Park* (1993) leading. The others were *Independence Day*, 1996) and Renny Harlin's *Cliffhanger* (1993). The non-American film in the top five is an Australian film (*Babe*, 1995) on a fourth place. The figures for *Forrest Gump* (1994) are divided between two years, and thus, because of this technicality, the most popular film of the 1990s doesn't have a high position in an analysis on a yearly level.

How about differences within the various groups of foreign films (Figure 5)? The market for foreign films is dominated by films from the United States. The European films are but a small part of the market, and the method used here doesn't bring up for analysis more than under 30 European films. The demand curve for European films resembles the one for Finnish films: attendance successes are few, and the curve (audience figures for single films) sinks fast. The most successful European films are the British drama *Sense and Sensibility*, (1995), the Dutch-Japanese children's movie *Comet in Moominland* (1992), and the British Bond-movie *Golden Eye* (1995).

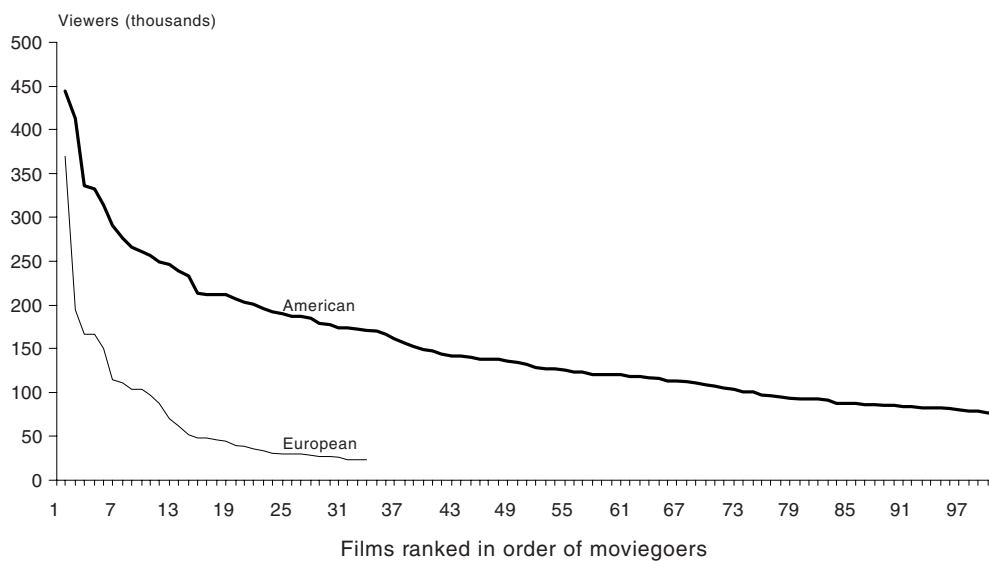
The analysis of the demand curves lets one suppose that after the art conception has taken over the Finnish movie production and culture, the demand for domestic films has become dramatically weaker in relation to the foreign demand of films dominated by industry-based American films. This has been the price to pay for seeing film as art.

“No Road Back”

Does the industrial point of view, then, have a chance in movie production in Finland (or in Europe) and if it has, to what extent? In my view, the chances for this are limited, despite the efforts and policies of the EU in promoting the cause.

The victory of the art-view has been so total, that the infrastructure of the film business depends on it. The aims of film training, the attitudes of creative workers, the cultural policy climate, the film support organizations and the way their members are chosen, the decentralized structure of production, all conform to the art view. A financier (Suomen Yhdyspankki of that time) was needed to notify Finnkino, then in financial trouble, that in the beginning of the 1990s one should not carry on with film production because it isn't profitable⁸ In Europe, the situation is the same, only the scale is much bigger.⁹ When Pantti says, with reference to Neale,¹⁰ that art film hasn't usually challenged the basis of the film institution's artistic, financial, ideo-

Figur 5. The Demand for American and European Films in the 1990s



logical or aesthetic basis, but instead creates for itself a space inside of it, the talk is about American films. In Europe the art view won unequivocally. According to Dale:

There are two main types of European film – small scale subsidy-driven films (75%) and more ambitious market-driven films (25%) backed by Europe’s media giants. For subsidy-driven films, which are crucial for the discovery of new talent, most film-makers have to prove that their project isn’t ‘commercial’ in order to secure funding, and as a consequence they usually find it impossible to achieve any market impact.¹¹

Undoubtedly, it is always possible to direct the resources of the field a bit more carefully, more effectively, differently and more “commercially”, with emphasis on distribution, but a real change of direction towards a structural transformation is just about impossible both in Finland and in Europe. In practice, the audiovisual policies of the EU reinforce the present structures in spite of publicly expressed great ambitions aiming at competitiveness with Hollywood. The reason to this can be stated pointedly in the following comparison: The whole budget of the EU’s program for promoting the audiovisual field, Media II, for the current *five-year period* 1996-2000 is 310 million ecus. This amount is clearly less than 5% of the movie production investments for *one year* in the United States which are approximately 8.5 billion dollars. Similar investments of the EU countries are a bit over 2 billion dollars a year. The Finnish investments are 5 million dollars annually.¹²

“Go West Young Man”

What would the alternative have been if the art view hadn’t won in Finland? I shall simplify. Finland would hardly have Aki Kaurismäki as the greatest international success of the film history of our country. (The success of Kaurismäki is clearly linked with film art and not with economical profitability). The gradual fading of the Turhapuro-series, successfully continuing the national film comedy tradition in the 1980s, could in the 1990s have been replaced with better success than what we have seen. The Finnish film would be thoroughly national and filled with farces.

To those who emphasize the industrial aspect of film making there is however an alternative which has already been noticed by big European production companies of which the most important interna-

tionally is Polygram. Part of their films imitate a Hollywood-production; they are made in English, they are produced in the United States, and a substantial part of the creative staff is American, and the films are aimed at the American market. Polygram have been interested in buying also big American production companies but has failed so far. In Finland too, one can find an example of this phenomenon, be it only on a level of the individual: Renny Harlin, the only significant Finnish director/producer in Hollywood.

To the film companies there is another alternative, be it in a much smaller scale: to produce films for television. This is not a film policy but entrepreneurial question because it entails moving into another branch altogether. In its ways of expression, serial nature and level of costs, tv-production differs essentially from the movie industry.

What are the consequences of these views for audiovisual policy? The most significant matter is that the European movie production (for feature films) can be built up to an industry only in a limited sense. For this part the audiovisual policies of the EU are unrealistic, and its long-term goal, the ability of European movie producers to act successfully in open markets, will not be attained. European producers can’t succeed even in their home markets with public support covering about 2/3 of the production costs. Besides, the European production costs are only a fraction of the costs of its competitor, Hollywood, and Hollywood doesn’t need production subsidies at all. In addition, there is a unified market in the United States. In Europe the market is fragmented by different language areas.¹³

In Finland the scale is so small, the structure of the field so decentralized, and the film production so dependent on subsidies that the industrial angle is not very realistic. The reason for the discussion about industrial aspects of film production is connected with the audiovisual policies of the EU and their reflections on what are the consequences of these views to audiovisual policy in both TV and other audiovisual production. Finland as a model country in the EU, complies with the official line in this area, too. EU is also relevant to keep in mind when applying for subsidies to the Finnish film production. In practice, the film policy measures – quite rightly – lean on strengthening the art film line symbolized by Aki Kaurismäki – by acquiring more resources to the field and aiming at intensifying the (art) production.

Farces can be supported – more or less – but they do not solve the issue. A farce production living purely on state subsidies can hardly be regarded as a

constructive national alternative to non-profitable art production which at least is a success at foreign art festivals and constitutes a part of the country's cultural exports. There are not enough resources to allocate to all applicants and therefore subsidies remain selective.

“Monkey Business”

The distribution of films (import and exhibition of the films) has always been based on entrepreneurship in Finland. The present strategy is to emphasize the need for building more multiplex-theaters in the big cities to raise the levels of attendance. This would make possible a more profitable and expanding business. Especially in Helsinki there are grand-scale plans to build more multiplexes.¹⁴ Is this kind of a strategy realistic, and does it have any chance of being successful?

On the level of demand curves, the aim is to raise them to a higher level: single films should get bigger audiences. It is clear that film theaters as multiplexes offer better conditions for satisfying the

demand and this development as such serves to increase watching of movies.

Will there be enough movies? How about the competition from the ever increasing alternative leisure-time services in peoples' homes (the still expanding analogue tv, the Internet and its various fast-growing applications, the arrival of digital satellite and terrestrial tv, the digital video DVD)? In the 1990s, the variety of alternative services was already so great that the number of moviegoers decreased in Finland, and the trends in competing supply are by no means on the wane at the turn of the century, on the contrary.

It has been argued that European films could take advantage and make use of the expanding possibilities of film distribution.¹⁵ The prevalent art view of films in Europe and the demand curve for European films in Finland (Figure 5) give a hint that chances to an essential growth in film demand with the help of European films are relatively limited.

Translation: *Markku Mustaranta*

Notes

1. Kari Uusitalo, *Suomen Hollywood on kuollut. Kotimaisen elokuvan ahdinkovuodet 1956-1963*. [Finnish Hollywood is dead. The troubled years 1956-1963 of domestic film]. *Hyvinkää: Suomen elokuvasäätiön julkaisusarja n:o 12*, 1981. The view on the development of feature film to art in Finland (and in Europe) is of course a simplification, because in certain cases the film still offers a chance (or a chance is seen in it) for profitable business. In the change discussed in this article, the question is, however, what has been the *prevailing* view on film and how this view has changed. For a more
2. See, for instance, Commission of European Communities, “Growth, Competitiveness, Employment. The Challenges and Ways Forward in to the 21st Century”. *White Paper, Bulletin of European Communities Supplement 6/1993*, especially pp. 103.105; European Commission, “Strategy Options to Strengthen the European Programme Industry in

problematic angle, see e.g. Ilkka Heiskanen: “Suomalaiset 1950-luvun elokuvat, televisio ja kansallisen todellisuuden hallinta” in *Nykyajan sadut. Joukkoviestinnän kertomukset ja vastaanotto*. [Modern fairy tales. The stories and reception of mass communication] Jyväskylä: Oy Gaudeamus & Yleisradio Oy 193-231.

Postscript

This article was written in summer 1996. Since then, cinema attendance in Finland has increased as the country has recovered from the economic recession and particularly due to the enormous success of the *Titanic* in 1998. In the aftermath of the *Titanic*, Finnish films, too, have clearly pulled ever growing numbers of cinema-goers. The growth in 1999 is associated in particular with drama, while the popularity of comedy features has remained the same. In 1998, cinema attendance totalled about 6,4 million and Finnish films were seen by about 0,64 million people (Table 1).

The European film, however, has met with greater difficulties. The best example of this, perhaps, is the fate of Polygram, the major European independent company sold by Philips to the Canadian company Seagram as part of a larger deal Seagram is the main owner of Universal in Hollywood. At the time of writing it seems that Polygram will end up merging with Universal, as no buyer for Polygram has emerged in spite of Seagram's continuing search.

- the Context of the Audiovisual Policy of the European Union". *Green Paper*. Brussels 1994; Martti Soramäki & Kirsi-Marja Okkonen, *Taloudellinen integraatio ja EU:n audiovisuaalinen politiikka*. [Economic integration and the audiovisual policies of the EU] Helsinki: Yleisradio, keskushallinto 1996, esp. pp. 20-25.
3. Uusitalo op.cit., pp. 321-325; Tarmo Malmberg, "Suomalainen elokuvakulttuuriaktivismi sodan jälkeen" [Finnish film cultural activism after the war], *Tiede & Edistys* 2/1997, p. 113.
 4. *Elokuvapoliittisen komitean II osamietintö* (KM 1974: 26) Helsinki: Valtion painatuskeskus 1974; *Elokuvapoliittisen komitean III osamietintö* (KM 1974: 121) Helsinki, Valtion painatuskeskus 1974.
 5. Mervi Pantti, *Kriisistä konsensukseen, Elokuvakulttuurin jälleenrakentaminen Suomessa 1961-1976*. [From crisis to consensus; the reconstruction of film culture in Finland in the years 1961-1976] Elokuva- ja televisiotiede, lisensiaattitutkielma Turun yliopisto, maaliskuu 1997. Quote from page 97.
 6. Martin Dale, *The Movie Game. The Film Business in Britain, Europe and America*. London & Herndon: Martin Dale 1997. The demand curves have been drawn in the following way: all films of any given year are listed in a ranking order in the annual statistic database of the Finnish Film Archive (1980-) according to attendance figures (100 films). For the sake of uniformity, the objects of examination are the years 1980-86 ("the 1980s") and 1990-96 ("the 1990s"). For each year, the 50 most successful foreign films in terms of moviegoers have been chosen. (This means that the same film can, though rarely, appear in figures for two consecutive years.) Of the total, the 100 most successful films have been chosen and ranked in order of attendance, and the demand curve has been drawn on the basis of this. All domestic films have been included for each year.
 7. Martti Soramäki, "Winner Take All – ilmiö elokuvan alalla", in *Mediatieteen kysymyksiä. Kirjoituksia modernista ja postmodernista kulttuurista*, Lapin Yliopisto 1998
 8. "Finnkino nousemassa rajulla saneerauksella voitolliseksi" [Finnkino back to profitability after violent cost cuts] *Helsingin Sanomat* 3.8.1997.
 9. David Puttnam, *The Undeclared War. The Struggle for Control of the World's Film Industry*. London: Harper Collins Publishers 1997, 327, pp. 344-345.
 10. Mervi Pantti op. cit.; Steve Neale. "Art Cinema as an Institution", *Screen* Vol. 22, No 1, 1981
 11. Martin Dale op. cit. pp. 118-129, quote from page 226.
 12. "Film Production and Distribution: A shifting balance". *Screen Digest* May 1997 (pp 105-112), esp. p. 107.
 13. Martin Dale op.cit. p. 36,123, 176: Film Production and Distribution. Ibid: "World Cinema Market: Start of the European Fightback". *Screen Digest* August 1997 (pp. 177-197).
 14. "Finnkino nousemassa..."; "Kaupungissa alkaa taistelu elokuvayleisöstä" [Finnkino back...]; "A battle over movie audiences begins in the city" *Helsingin Sanomat* 30.8.1997.
 15. "Finnkino nousemassa..." [Finnkino back...].