Cultural Industry from threat to salvation, Film Production from art policy to regional development
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From Threat to Salvation
Film Production from Art Policy to Regional Development

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Sammanfattning

I början av 1990-talet spelades i princip all svensk spelfilm in i Stockholm. I dag spelas huvuddelen av filmerna in ute i de svenska regionerna. De regionala filmproduktionscentrummen har i dag en viktig roll som finansiär av den svenska filmen. Den största och mest framgångsrika av dessa är Film i Väst, i Västra Götalandsregionen, som under de senaste tio åren i snitt varit inblandad i över halften av all svensk spelfilmsproduktion.


Abstract

The object of this article is to explore the political processes behind the regionalisation of film production in Sweden since the early 1990s and forward. What can explain the transfer of power from central government and film production companies to regionally based institutions?

My thesis is that institutions matter. Institutions are seen as an intermediate level between state structures and rational choice/actor explanations. Institutions are equivalent to formal rules, compliance procedures and standard operation practices that structure the relationship between individuals in various units of the polity and economy.

The redefinition of film production from national art policy to regional and local policy for development and economic growth is crucial. This redefinition also has to be seen in the light of the general trend towards regionalisation both in Sweden and internationally.

Keywords
Cultural industry, regional development, film production centres, institutional theory, art policy
Introduction

This article focuses on the change that has taken place in the relationship between the state and the cultural industry in Sweden. From the beginning of the 20th Century, when film and popular music (jazz and later rock’n roll) were introduced in Sweden, to the 1990’s the relationship between state and cultural industry has been one of distrust. Popular film and music were seen as having a damaging effect on society. Today, cultural industry is seen as a salvation for society. Regions and local communities see it as an important industry for growth and welfare.

My aim is to study this new trend by using an empirical example of the growth of a Swedish regional resource- and production centre called Film in West (FiW). It is located in Trollhättan, which is a small town in the west of the country. It is a joint-stock company owned by the regional council, and it was established in 1992 for the implementation of the region’s public policy for film and media. Today, it has become a powerful actor in national film politics. There was a breakthrough in 1998, when as many as eight feature films were co-produced by Film in West and shot in the region. The most well known film that year was Fucking Åmål (given the English title ‘Show me love’ outside Sweden). The film had almost 900 000 visitors in Sweden, (about 10 percent of Sweden’s total population), and the film was also a big success in Norway, Finland, Switzerland, Russia and Holland. In 2001, about half of the total numbers of feature films produced in Sweden were produced in co-operation with Film in West, including international film productions like von Trier’s Dancing in the Dark and Dogville.

In this article I will discuss and try to explain this institutional change that has taken place in Swedish film policy and what made this change possible. More precisely, my thesis is that the success story of FiW is the story of transforming film policy from art policy to industrial policy. This change made it possible for FiW to create their own institutional setting for film policy which eventually explained their success.

The problem

Policy change, as this article will discuss, is a very rare phenomenon in politics. Research about why it is difficult for reformers to change public policy is abundant. There are different explanations why implementation of policy fails (Pressman & Wildavsky 1973). One explanation can be that the policy was built on ill-founded theories. No matter how good the motivation and will of the executors the policy could not be implemented. Another explanation could be that the policy was built on well-founded theories, but that the organisation and institutions responsible for the implementation failed to do so for different reasons. In that case we have an implementation- or a steering problem. Organisation of the implementation structure is another important factor for understanding why certain policy reforms are successful and why others are not. Research has shown that success is hard to attain when implementation is too delegated to reluctant front line bureaucrats (see Rothstein 1986, Sannerstedt 1997).

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1 In 1973, the political scientists Pressman and Wildavsky wrote the book Implementation with the subtitle “How great expectations in Washington are dashed in Oakland, or why it’s amazing that federal programs work at all, this being a saga of the Economic Development Administration as told by two sympathetic observers who seek to build morals on a foundation of ruined hopes.”
In sum, the problems above are results, according to me, of institutional factors and settings and my thesis is that institutions matter. By institution I mean a defined area or field, with its own rules of the game and with a set of players (Rothstein 1992, p. 17). The institutional arrangements can in their turn be seen as deliberately created structures that, especially in the long run, have influence on the power and interests of actors, and indirectly on political output (Linbom 1995, p. 40 f.).

More precisely institutions are equivalent to formal rules, compliance procedures and standard operation practices that structure the relationship between individuals in various units of the polity and economy (see Rothstein 1998). Research indicates that institutions as such determine (a) legitimate actors; (b) the number of actors; (c) the ordering of action; and (d) what information actors have about each other’s intentions (Rothstein 1998, p. 146, see also Marsh & Rhodes 1992). The access of alternative actions is strongly influenced by the institutional context and signifies that a certain type of capacity of action is at available (Lindbom 1995, p. 47). In film policy for instance policy output and the behaviour of single actors are controlled by formal and informal rules. The formal rules are drawn up in an agreement between the state and the film industry. Among informal rules we find for example the predominant conception of quality. The understanding of “quality” has historically been conclusive for which films have been eligible for public economic support in Sweden (see Blomgren 1998).

An example of the institutional approach in cultural policy is Hillman Chartrands (1989) well known models to describe how states have organised public art policy: the state as a facilitator, a patron, an architect or an engineer. The most common model in Europe has been the architect model, where the states take an overall responsibility for art policy and give support directly through a Ministry for Art and Cultural Affairs. Support is generally given both to artists and to institutions. The artists are invited to influence the public policy through professional organisations that are regularly consulted by the state.

Sweden is a typical example of the architect model and like in most other liberal countries, it is distinguished by weak and cautious governmental steering. Extensive autonomy has been given to the implementing institutions and organisations to determine the content of their own activity and that led to the fact that the cultural sector is populated by strong professions which demands cultural freedom and autonomy. One author has compared this sector with some kind of self-governing republic, where the professions have great freedom to set the policy agenda, instead of the politicians (Garme 1994). In sum, I argue that the institutional settings in general and especially in cultural policy are characterised by a strong influence on cultural institutions and actors and it is very difficult for politicians to steer this policy field (Blomgren & Blomgren 2002).

Still, the change in Swedish film policy is a reality and the question is how we can understand and explain this phenomenon. Institutional theories are in general apt to explain stability and segmentation in politics and to show how norms, ideas and values have grown strong in institutions. However, these kinds of theories have a major weakness, and that is to explain change. Some authors claim that this is the “Achilles heel” of the theory (Rothstein 1998, p. 153; Linbom 1995, p 38 ff.; Steinmo Thelen & 1992, p.15).

I find that some aspects of institutional theories are relevant to explain change and that is the role of ideas and conceptions in institutions. The two most well known representatives for the new institutional approach, James March and Johan P. Olson (1989), emphasize conceptions
(ideas) in order to understand political behaviour in institutions. According to them, ideas can function as a mental map, or common framework of meaning, which guides the behaviour of actors and influences people’s preferences in what they see as a proper political solution. (March & Olsen 1989). Even in historical institutionalism ideas play an important role in explaining both the reinforcing role and changes in and of institutions; the so called formative moments (Rothstein 1998; Legro 2000).

Researchers in public policy have for instance shown that ideas about the “best solution” for public policies tend to be widespread (Bäck 2000; Forsell & Jansson 2000; Montin 1996, 2003). One example of such ideas is New Public Management (NPM), and its focus on the assumption that market and competition will lead to greater efficiency and increase the freedom of choice for the citizens. Today these kinds of ideas are not ideologically loaded in Sweden as they were in the 1980's. Independently of political majorities in the local communities ideas about privatization and competition have come to stay. (Montin 2003, p. 120). The ideas of NPM have in other words had a big impact on the transformation of how the public policies have been institutionalised in Swedish local communes in the late 1990ies.

Another kinds of ideas, having a big impact on political actors' changed preferences and understanding of the relevance of my problem, are the ideas of new regionalism or new politics which focus on the new territorial dimension of politics, represented by regions as a new system of social regulation and collective action below the traditional nation-state. According to Keating (2002, p. 202), new regionalism is a complex set of processes and influences, since the interplay of function, identity, political mobilisation, systems of representation and government vary across the states of Europe and increasingly within them. These political challenges for the national states are largely related to changes in the world economy. At the same time, the new political arena enhances a trend of regionalisation. As noted by Heywood (2002, p. 3f), the European nation-states’ integration into the European Union (EU) is one such example, which sets new demands, limitations and possibilities for the member nations. Furthermore, Keating (2002, p. 201), argues that these changes are also strongly influenced by regional, local and minority nationalist movements, and by the advance of the market and civil society, within as well as between nation-states. As noted by Pierre (2000, p. 1), these new trends in politics tend to erode the traditional bases of political power. These kind of ideas have also had big impacts, especially on how the regions nowadays see themselves as strong autonomous political actors who have confidence to challenge the national state.

In sum, my theoretical point is that ideas both in and outside institutions have great influence in shaping and strengthening institutions. Also, ideas can play a role to change and create new kinds of institutions.

The coming sections have two purposes. The first is to give a general description of Swedish film policy from 1911 until today. The second purpose is to analyse this policy and the changes that have taken place, especially the regionalism that took place in the mid 1990's, by applying institutional theory. I will start by studying film policy in the past and the ideas that influenced the state policy and shaped film policy institutions. Focus is on the creation of the Swedish Film Institute (SFI) in 1963. The second part will focus on the creation of new

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2 They emphasize that political behaviour is explained by two types of logic, namely (a) logic of consequentiality, which means that political actors act in a goal- oriented manner, and (b) logic of appropriateness, which means that political actors act in accordance with what they find appropriate and interpret the context in which the action is situated and this in turn is an example of how ideas shape people’s perception (Karlsson 2003, p. 324).
institutional settings and the ideas that made it possible for regional and local politicians to be a part of the new institutionalised film policy in Sweden.

From threat to art – the creation of state film policy

In Sweden, the state’s first reaction against film production was censorship, which was installed in 1911. It was the first state controlled censorship in the world. Influential groups in society had argued that some films were dangerous. It was especially working class kids who needed to be protected from such films. The church pointed out that film encouraged profanity (Reinholds 1987, p. 31). Another restraining decision towards film was to introduce an entertainment tax. In those days, film was not acknowledged any cultural or artistic value. It was perceived as entertainment, in the same class as circus, jazz music or popular music (Blomgren 1998). One explanation why the state not did support organised cinema under its control, as it did with.broadcastings in the 1920s and 1930s, was that cinema was in the hands of private companies and thereby fell into the category of entertainment (Moran 1996, p. 4).

The ideas that influenced the first reaction and institutionalised the state policy was influenced by the fact that in the ‘old days’, cultural industries³ were largely associated with popular culture and commercialism, which from the state’s point of view was seen as more of a threat than a resource for the society. According to Adorno and Horkheimer (1977), the industrialisation of culture and the absorption within the capitalist industries and commodity aesthetics, should mean a negation of “true” art and culture. The state rationale for subsidising ‘true’ culture was therefore largely based on aesthetic values. Early forms of cultural policy in Sweden strictly demarcated between publicly supported excellence, and popular arts and cultural forms that were primarily commercial in orientation. In such traditional policy models, governments supported the production and exhibition of art forms such as opera, orchestras, theatre, the visual arts, dance and literature, on the basis of different values such as promoting for example national culture, and high culture products (Flew 2002, p.184).

The Swedish state did nothing to support film between 1909 and 1951. State measures were instead characterised by a policy to restrain film, with censorship and taxes on cinema tickets. It was not until 1951 that a parliamentary decision to subsidise filmmaking was taken. It was decided that the so-called entertainment tax, introduced in 1918, would go back to the film producers. At this time, the state made no quality judgement concerning films. The refund was connected to the number of filmgoers. Thus, it was a kind of industrial support. Film policy was not yet considered to be part of the general cultural or art policy. Film was an industry among other industries – an industry needing public support or abatement to survive. From the state point of view the aim for film subsidies was to save the Swedish film industry and thereby secure the citizens a choice of Swedish films (Blomgren 1998). No qualitative judgement based on aesthetic values that the state subsidies should promote films with good

³ One definition of cultural industry is “those institutions in our society which employ the characteristic modes of production and organisation of industrial corporations, to produce and disseminate symbols in the forms of cultural goods and services generally, although not exclusively as, commodities.” (Garnham 1987, p.25) It is not our intention, in this paper, to discuss the question of different symbolic content or values in cultural commodities. We are satisfied with pointing out the fact that cultural enterprises differ from other enterprises, such as industrial enterprises that are producing and selling physical products, knowledge enterprises that are producing and selling knowledge. Cultural enterprises on the other hand primarily produce and sell aesthetic experience (Björkegren 1994, p.9). In sum, a product may be culturally industrial when it is technologically produced or reproduced and commercially profitable. In other words cultural industries is a phenomenon of cultural production in which economy and technology function in alliance and it is technically reproduced that have economical and for-profit goals. (Luoma 2002, p.334f).
artistic qualities that was the common argument in other artistic areas was mentioned in the decision.

In the late 1950s there was an increasing critique of the government’s refusal to see film production as an art. Eventually, the government was influenced and started to distinguish between quality films and commercial films. Public support should be reserved for “good” films, like Ingmar Bergman’s productions (Blomgren 1998). Now, that the state had decided to take an active part and support the production of quality films, the Swedish Film Institute was established in 1963. The Swedish Film Institute (SFI) which was organised as a foundation based on a written agreement between the state and the film industry. The foundation form was chosen to guarantee autonomy. This meant that the right to make authoritative decisions in film policy was transferred from the Riksdag (the national parliament in Sweden) to the Film Institute. Among the parties to the agreement were, besides the state, a number of organisations representing the interests of film production companies, film exhibitors and film distributors. The State had four of the eight seats on the first board, and the film industry had four. Equal power was thus institutionalised in the agreement.

The first film agreement prescribed that the entertainment tax on cinema tickets would be abolished. Instead the industry agreed to pay 10 percent of the price for each sold ticket to the Film Institute. The fee would be used to support Swedish film productions. It was regulated in the agreement that 75 percent of the money should go to support production of Swedish “quality” films. The argument for this was that such films should have support since film was now seen as an art on the same terms as traditional fine cultural activities such as theatre etc.

We can see that the film agreement, as an institution, regulated the legitimate area for film policy, the legitimate players and the legitimate rules of the game. This was done in close cooperation with the commercial film industry. The film agreement meant that some actors were excluded from the shaping of film policy. Among the excluded actors we have, for example, the film workers’ union and interested organisations representing regions and municipalities. The agreement also meant that film policy issues were effectively transferred away from the elected Riksdag to a corporate body, half populated by the receivers of public film support.

The way the film agreement was drawn up, it is not surprising that film production has been almost in its entirety concentrated to Stockholm and a few commercial film companies. Film activity and especially film production was a matter only for centrally based actors and the state. Regions and municipalities were for a long time excluded from this policy arena.

The idea that influenced this institutional arrangement was that of the film agreement which stated that film was to be regarded as art. The rest of the expenditure of the institute was built on a general support to the Swedish film production industry, as a kind of industrial support. It was argued that the film industry would not be able to survive on its own in a small country such as Sweden. To maintain a domestic film industry it was necessary to provide public subsidies to the industry itself (Blomgren 1998).

Policy communities are policy networks characterised by a strictly limited number of members, dominated by economic or professional interests. Other groups are consciously excluded. Membership, values and outcome are stable over time, and there is an equal balance of resources and power. Policy communities are generally associated with policy continuity (see Marsh & Rhodes 1992). As a description of Swedish film policy, this fits almost perfectly. So how is it that there was a regionalisation of Swedish film production anyway? How is it that it was written into the film agreement of 2000 that the Film Institute should
give economic support to three regional centres for film production? How was that possible, given the tight policy community of the parties to the film agreement?

The emergence of regional film production centres

In 1974, the Swedish parliament came to a decision on a new cultural policy in Sweden. One of the overall objectives was that cultural or art policy should aim at geographic equality. Most of the Swedish theatres and museums were located in Stockholm. To achieve geographical dispersion, regional theatre facilities and regional museums were established by the central government in the Swedish regions (Blomgren & Blomgren 2002). Since the 1970's, regionalisation has been an overall objective for all art policy in Sweden.

During the same period, the need to decentralise film policy was noticed as well. But it was not decentralisation of the production of films that was discussed, but the distribution and exhibition of film. In 1975 the government started to support film distribution, and gave subsidies to exhibitors. This was done outside the film agreement. The film agreement did not regulate this part of the public film policy. Therefore the government was able to give support to selected exhibitors (Blomgren 1998). It is also important to note that the state did not decentralise these tasks to the regional or local levels. It remained in the hands of the state. The decentralisation of film production was never on the political agenda at this time, though. The regions did not show any interest, and neither did the actors on the central level – the parties of the film agreement.

It was not until the middle of the 1990's that a discussion started about film policy as a concern for regional politics. In 1993 parliament created a commission for new cultural policy in Sweden, and film activity was for the first time mentioned as a concern for the regional and local political level. Regional political actors were demanding state support for film production in the regions in order to reduce the domination of film production in Stockholm. The commission proposed that the Swedish Film Institute should subsidise regional film production funds (SOU 1995:84). The government was impressed by the commission and in its governmental proposition from 1996; film activity was pointed out as a concern for the regional political level. However, it was not the government’s intention that the promotion of regional film centres should result in that these centres produced (commercial) motion pictures. Instead, the aim was that the regional film centres should encourage children and youth to work with film and to create an interest for film as an art (prop. 1996/97:3, p. 92).

In 1996, very few Swedish films were produced in the regions. Four years later, the greater part of all film productions was located at the regional level, through the three regional production centres Filmpool Nord, Film in West and Film i Skåne. The fact that regional councils are now engaging themselves with the production of feature film is not due to any kind of assistance or interest from the central administration and policy makers. The initiative seems to have come from below – from regional and/or local governments and administrations. In this section we shall analyse the emergence of regional film production centres, and see how this development is dependent on the political institution of the film agreement.

Filmpool Nord and Film in West both started their activity around 1991/1992. In both cases, the initiative came from the regional level. Filmpool Nord was directly established as a film production centre with the outspoken purpose to create new jobs and economic growth in the region. A member of the Riksdag from this region sat on the first board and was proposing motions in the Riksdag to support regional film production. The Swedish Film Institute had a
representative on the board as well. Part of the financing came from the municipalities of the region and part from the Swedish Film Institute in Stockholm.

Film in West started out as a branch of the regional administration of cultural affairs in the former region Älvsborgs län, in the west part of the country. The regions and the local municipalities in Sweden had started to engage in cultural affairs in 1974, but they had so far taken no interest in film. There were regional theatres, regional museums, regional orchestras and regional libraries, but no regional film production activities. The regional council of Älvsborgs län now decided, in 1991/92 approximately, to start a regional resource centre for film and video. It was not originally, like Filmpool Nord, established to create jobs and increase economic growth in the region, but in a few years the resource centre had started to engage in co-financing production of commercial feature films.

A formative moment for both FiW and Filmpool Nord was when Sweden became a member of the European Union in 1995. Among other regions, these two managed to get classified as areas eligible for economic support from the regional development funds of the EU. Part of that support has been used to build up the film production activities. These funds have meant that the regional centres can offer top financing to film producers who are willing to locate a film production to the region. They can attract productions that need the extra top money to make a film. With the EU funds, the region could engage in film production as a cultural industry.

There are clear parallels between the rise of film as a cultural industry in Sweden and in other west European countries. In the 1980s, it was argued that the state’s culture and art policies to some extent had failed in the mission to reach out to the people for whom it was intended. Girard (1982, p. 26) claims that public policies to develop culture have largely failed and the cultural institutions have succeeded only marginally in expanding their audience. The public has preferred industrial/commercially produced cultural work - “popular culture”. From a democratic point of view, cultural industries have done better than the state’s culture policies in reaching people. Girard’s conclusion is that “far more is being done to democratise and decentralise culture with the industrial products available on the market than with the products subsidised by the public authorities.” (Girard 1982, p. 25).

This was a new and more positive way to look upon cultural industries. Cultural industries could actually promote more democracy than public policy for cultural affairs. Even more important, it started to become obvious that these kinds of industries were becoming increasingly important contributors from an economic point of view. Hence, the views of cultural industries as a concept therefore reappeared in a new shape on the political-economic agenda.

A good example is Great Britain, where the argument to support the development of cultural industries in cities and regions suffering from economic decline became common in the mid-1980s. The main problem was not that there was too little culture and arts in these cities and regions. Rather, the problem was a serious decline in traditional manufacturing industries and thereby increasing unemployment figures. The solution was to change the structure of the local/regional economy. It is in this view that the support of culture industries becomes an important tool for local and regional growth. This thinking was influenced by a number of local authorities (see Lewis 1990, p. 135). Initially, these ideas were connected to activities in Greater London Council between 1981-1986, as culture industries became a part of the London Industrial Strategy (see McIntyre 1996, p. 223 f.). According to Lewis (1990 p. 135), the strategy demonstrated the importance of culture as a crucial industry for developing the city.
Sheffield is another example of a city in Britain that has transformed some of its economic activities towards cultural industries. In 1983, Sheffield City Council, associated with other local actors, started to develop the idea of a cultural industry area. As noted by Lewis (1990, p. 136), Sheffield has gradually become a commercial success with a growing economic cluster of cultural industry including production of film, video, music etc. Their goal has been to develop the city into a national base for cultural production. Also in other places in Great Britain, a substantial number of media related economic activities emerged at the end of the 1980's, including Birmingham, Nottingham, Liverpool, Manchester, Bristol and Lester. According to McIntyre (1996, p. 126), “the most striking thing about this … is the emphasis on small production companies as the driving force of both industrial development and cultural empowerment”.

In the British example, McIntyre (1996) argues that it was in the mid-1980s that most of the elements were in place to make a fairly radical shift in the debate about regional/cultural industries. Local authorities searched for mechanisms and strategies for reinvigorating their local economies, including different commercial and cultural oriented actors. There was also a change in that (traditional) industrial rhetoric for economic growth became used to secure new private and public funding for cultural development. It is important to note that the initiatives to create or boost a cultural industry in Britain were rarely taken by the central government. Instead, this was largely a process initiated by local authorities in association with local commercial cultural actors combining efforts to gain economic development.

This trend of mixing cultural and industrial policy in Sweden seems almost identical with the process that started in Britain some fifteen years ahead. In Sweden, the first signs of this change from cultural to industrial or economic rhetoric relating to film policy and film production appeared in an article in the leading regional newspaper in 1996 (Göteborgs-Posten 1996-08-14). It was written by the impending Managing Director for Film in West, Mr Tomas Eskilsson. Under a headline claiming that regional film production is a good investment, he argued that the film industry is also the most important tool to develop media industry (cluster) in the region. To invest in film production is thereby also an important component to create new jobs. Hence, instead of using a cultural foundation for the argument, the economic rationale was placed up front to explain why investment in Film in West was essential for the region and the municipalities involved.

The idea that influenced the state rationale why subsidies to film activities should be given was totally different from the ones in the “old” days when film policy regarded film and film activity as a goal in itself. Both from an art point of view where “good” films were in focus and from a branch point of view where the main idea was to support structure for Swedish film's production possibilities. The new ideas that influenced the regional film policy film were to describe film as a means or an instrument, and not a goal, to promote a higher goal, namely regional and local growth. This new idea that was put forward can be characterised as utilitarianism, where the utility of policy is put forward. The idea had no roots in cultural- or art policy but was to be funded as a central part in what can be called the new regionalism and economy discourse where regional development and the creation of a new strong political and economical level were created. These ideas were important factors that made way for the regional film productions centres that grew up in Sweden in the mid 1990's.

This new institutional framework made it legitimate for the regions to take an active part in film policy. A new institutional field for film policy had been constructed: and it was a successful marriage between cultural industry and new regionalism. The regional production centres could on the one hand use the traditional institutions for film support, i.e. the film
agreement, and on the other hand offer money of their own to film production companies. The possibility to offer this additional money on top of the state subsidies for film productions has given them a competitive advantage. This means that the regional film production centres have created their own institutional framework of film support situated side by side with the support system of SFI. Its importance for the film production companies has become more and more important during recent years. It is almost impossible to produce film in Sweden without having support from the regional centres.

FiW has both rhetorically, as well in action emphasised its mission “to working through film production to build a business complex, an augmented cluster.” (FiW 2002). Since 1998 seventy new film and media related companies have been established in the region. Besides these activities, FiW also has a co-operation with universities and adult educational institutions, with the aim of establishing professional competence and skills needed in film production activities. The goal is to become northern Europe’s most interesting film production region (ibid.).

The film production centres are now often mentioned as an example of an economic activity forming part of the new economic landscape in Sweden. Together with other clusters in Telecom, IT and Media FiW is now mentioned as an example of innovative clusters in Sweden. These innovative clusters are predicted to replace ‘old’ clusters, such as forest-, automotive-, and steel industries that for a long time have been the backbone of the Swedish economy (Nutek 2001). Film activity is now considered from a regional, local, and to some extent central perspective as an industrial policy concern rather than art policy. All this has happened as a result of regional and local policies and strategy, where local and regional politicians together with FiW and film production companies have created a new institutional policy area of their own. Today they have control and can act as, according to some, the most important agenda setter in film production.

Central actors, like the official committee on a new film agreement in 1998, could only witness what happened out in the region. Gradually there was an adaptation of the national film policy to the regional development that had taken place (SOU 1998, p.142). In 1997, the parliament decided to introduce a state subsidy to regional film activities (Svenska Filminstitutet 2001). For the first time, the state’s support to regional film activity was written into the film agreement (prop. 1998/99:131). The state had, in co-operation with the film industry, given legitimacy to regional film productions centres.4

I argue that the regional film production centres were realised through a change of the norms regulating policy in this area and shaping a new institutional framework of film policy. Hitherto, film production has enjoyed state support as valuable art and as support to make the industry able to survive in a small country like Sweden. What happened in the mid- and late 1990's was that film as a cultural industry was increasingly regarded as an expedient for regional and local economic development. It was not film as art those primarily interested local and regional actors, but film production as a strategy to create jobs and economic growth

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4 There are two possible interpretations of this adaptation. On the one hand, the state might have been forced to accept the development, however unwillingly. On the other hand, state and the parties to the film agreement might have been acting very strategically. By including the regional centres for film production in the agreement, the issue was effectively lifted away from the Riksdag. By specifying that only three regional centres for film production would be eligible for support from the Film Institute, the parties to the film agreement could put a lid on further development. They have also been able to keep the new film actors outside the policy community, by refusing to include them as partners in the film agreement.
in regions with a declining economy. From the regional level, the emphasis was on industrial policy, rather than art policy.

Conclusion

In this paper I have analysed the change in Swedish film policy that took place in the middle of 1990's from an institutional perspective. I have argued that the establishment of regional film production centres can be explained by reference to the way Swedish film policy is institutionalised.

The film agreement has been an important institutional factor, by which a tight policy network consisting of the state and the film industry in Stockholm has been able to keep new actors out. The Swedish membership in the European Union in 1995 opened up an opportunity, however, for regions to engage in the production of commercial feature films as a strategy for regional economic development. The regions have become autonomous actors in this field, as well as in many other policy fields.

I mean that there are two parallel institutional frameworks in the film policy area today. On the national level the Swedish Film Institute is responsible for the implementation of film policy. On the regional and local level we have regional authorities and regionally based film production companies working together with film production. These new actors have challenged the predominant film policy community and strengthened their position. The regions that have succeeded to build up a regional film production activity have taken advantage of opportunity to use film production to enhance regional development, with funds from the EU. The state has not had the power to stop this, but it has arguably acted to reduce the scope for further regionalisation. From the state’s point of view, one argument to prevent film policy from becoming an exclusive regional matter is that regionalisation will lead to the end of the national cultural policy. In stead of supporting film from an art point of view, the region supports film from an instrumental point of view, where the economic return for the region is in focus (Aftonbladet 1999-09-12).

On the other hand, one effect of regionalisation and the creation of film production centres has been that more money is available for film production than before and new funds on a regional level have been created. Besides that, film as an activity has become a policy area with greater legitimacy on the regional and local level. Before it was only a matter of cultural or art policy. The regional and local support to film in FiW area has multiplied under the last ten years. Film production is now a policy area that has high priority which was not the case when it was only a concern for the regional and local art- and cultural policy.

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The success of regional film production is probably to a great extent dependent on the fact that they can offer top financing to the film production companies. But what will happen with the regional film production centres in the future? For Film in West, the EU-funding will stop in 2006. Critics have predicted that this will be the end of the regional film production saga in Sweden. The film productions centres themselves are optimistic, and believe that EU-money can be replaced by more funding from the local and regional political system. This will be a test of how deeply rooted the regional film production centres are. Do they have legitimacy in the region for attracting commercial film productions with tax money? If they are successful in this they will probably survive. If they are not, the power over Swedish film policy will be returned to the Swedish Film Institute.
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