In today’s world of high-speed technology, media are closing distances between people and blurring boundaries. As information and ideas are passed more quickly from one side of the globe to the other, the distances between people and cultures – both physical and metaphysical – become less significant. This increased flow of ideas has proven unsettling to some, who see it as a threat to their own culture. France is one such country. Although they believe in the free flow of ideas, the French government has become increasingly concerned that culture and national identity may be taking a back seat to information flows and “cultural imperialism” in years to come. These concerns, shared by other European countries, have prompted the government to take action against cultural blending.

France has developed a unique set of quotas and restrictions meant to enhance and maintain their culture through the enhancement and maintenance of French audiovisual productions. Almost as explicitly, the French wish to fend off American “cultural imperialism.”¹ Their restrictions have been considered a benefit to many, a burden to others, and a highly controversial move to nearly everyone. In order to understand the choices made

by lawmakers that have led to these policies, we first must understand some of the history of audiovisual policy and broadcasting in France.

Early in the 1970s, the French government, who saw broadcasting as a way of disseminating their own views as well as representing the French culture both at home and abroad, dominated French broadcasting. During this period of complete control, the government used television to promote culture and education. This public service format changed in 1974, when President Valéry Giscard d’Estaing was elected and the government’s Office de la Radio-Télévision Française (ORTF) was split into seven public companies. It was hoped that the split would reduce costs by focusing the production functions, as well as create better quality and diversified programming. It was also, however, a first step towards the loosening of government control over audiovisual works in France. Although the division of power over production opened the door to the commercialization of broadcasting, the French government maintained its ultimate control.

Around this time, France began a direct broadcasting satellite (DBS) project with Germany in order to counter some of the US and Japanese domination of communication technologies. DBS could distribute messages through the air not only to their own citizens in

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http://en.wikipedia.org/wiki/Office_de_Radiodiffusion_T%C3%A9l%C3%A9vision_Fran%C3%A7aise (November 23, 2006).

remote locations, but also to other countries. Although other European countries were developing the technology as well, France and Germany decided to pursue DBS technology as a joint endeavor.

Another dramatic change came in 1981 with the election of the socialist President François Mitterrand. Although his party was expected to return broadcasting to its public service role, economic difficulties and other international factors led Mitterrand to liberalize broadcasting, allowing localized private radio stations. In 1982, the Law on Audiovisual Communication finally rid France of the State’s monopoly on broadcasting. As the government was changed again in 1986, the broadcast market was opened to private players through the Law on Freedom of Communication.

As broadcasting went through these changes, four market sectors emerged: programming, where broadcasters buy programs from producers; advertising, where advertisers buy slots from broadcasters; production, where broadcasters buy from infrastructure operators; and delivery, where people buy the service from broadcasters. With these four sectors and their dependence on the commercialization of French media, a concern about cultural blending emerged. Power over content was being shifted away from the French government, and as the commercial market took over, the public increasingly

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demanded American and other imported programming for entertainment, taking airtime away from French-made entertainment and programming. The Government decided that actions must be taken to preserve the French culture. In this they were not alone.

The European Union (EU) had also come to the conclusion that increases in imported media were posing a threat to the European culture in general. In 1989, they implemented a directive called Television Without Frontiers (TWF). This directive was meant to protect both corporate interests and the right to intellectual property and cultural diversity of citizens. As the TWF directive ensures: “audiovisual works are the expression of an identity” and “audiovisual [policy] should, therefore, favour the emergence of a European conscience and a greater cohesion at the level of the continent.”

While the EU was concerned with maintaining the European identity, however, France was particularly concerned with its own national identity being hidden behind the American view of the world being transmitted into the homes of its citizens. This has led them to develop a unique set of obligations, regulations, and


encouraging provisions meant to protect their citizens and their unique culture.

Quotas are the clearest examples of obligations impressed on French media to encourage cultural propagation and enrichment. Although the European Union requires that 50% of their programming be European, France has an augmented percentage compared to other countries. In France, at least 60% of the movies and series aired by television channels must be from European countries. At least 40% of these must also originate from French speaking countries. This requirement is actually eased from the prior requirement of 60% of the content coming from the EU and 50% of the content originating in France due to the relatively limited quantity of content available.

The television quotas are not only applied on a daily basis, but also apply to the primetime hours of 8:30 p.m. to 10:30 p.m. in a more strict way than the EU’s Broadcast Directive entails. This is to prevent the airing of imported programs during peak hours and French programming only late at night. Television series times have more recently been extended to include the time from 6 p.m. thru 11 p.m., mainly due to the fact that the French people are increasingly using television as a source for news and entertainment over some other types of media. Also,


“television cannot show films on Wednesday evenings, when cinemas put on new releases. Nor can they show films during prime-time on the traditional cinema-going nights of Friday and Saturday...each TV channel can only show an average of two films a week.”

Interestingly, the 40% of movies and series originating in French-speaking countries is extended to include non-European countries, primarily encompassing Canada. This is due to the fact that a large part of the effort to maintain the French culture is preserving the French language. Actions to protect the French language have become an even more pressing concern with the growing numbers of people learning, speaking, and conducting business in English rather than French.

The quotas do not end with television. Although it was self-regulated in the past, radio stations also have quotas to support French artists today. These are in place not only to spread their works, but also to encourage the development of new songs and open the market to new artists. “In 2000, only 24,400 different songs were played on French stations compared to 56,300 in 1995, and half as many different artists.” In order to spread the works of existing French musicians, 40% of the songs played must be in French or a regional language that is spoken in France. In order to encourage new artists, at least 50% of

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what is aired must be from new talents or at least be new releases\textsuperscript{15}.

One modification was made to the radio policy by the Law of August 2000. Oldies format and exclusively new release stations’ format made it difficult to adhere to these quotas, creating a need for some change or exception. Oldies stations must now air 60\% of their music in French, but only 10\% of the content needs to be new releases. New Release stations were modified to have a quota of only 35\% of their songs in French, but of these 25\% must be by brand new artists\textsuperscript{16}.

Since the implementation of the radio quotas, many stations have actually seen an increase in popularity. One station in particular began airing more urban music and saw a dramatic increase in listeners. Not only was this good for the station, but it also began to raise the popularity of hip hop in France, diversifying radio content. This, in turn, also led investment in radio to double and investment in new artists to increase three-fold between 1995 and 2001. Sales of new releases also doubled, and sales of French music jumped from 49\% to 60\% between 1995 and 2002.\textsuperscript{17}

\textsuperscript{15} March 2006. Liberalization and deregulation. IT Landscape in France. American University.
http://www.american.edu/carmel/bb5414a/liberal.htm (accessed November 12, 2006).


Although all these quotas ensure the airing of French programming, there must also be ways of encouraging the actual production of French works. Just as in the music industry, there is also encouragement for emerging film artists. Currently, free-to-air broadcasters, which are those broadcasters who emit signals that people can legally receive without a subscription, must allot at least 3.2% of their total yearly revenue to the production of European movies.\footnote{What is Free to Air. Tech-Faq. http://www.tech-faq.com/free-to-air-satellite.shtml (accessed November 14, 2006).} At least 75% of the broadcasters’ allotted funds must be given to independent producers. Depending on the channel, numbers of European or French language audiovisual works that must be supported by the funds vary; ranging from only 4.5 up to 18.6, most of the channels falling nearer to 18.6. In all cases, however, two thirds of the investments must go to independent producers. This requirement led to a massive rise in international popularity of French independent films. In 2001, there was a 400% increase at the box office in the U.S. alone\footnote{Kaufman, Anthony. March 6, 2002. WORLD CINEMA REPORT: A French New Wave: The Blockbuster; But Will Art Films Survive?. IndieWire: Biz. http://www.indiewire.com/biz/biz_020306_WorldCine2.html (accessed November 14, 2006).}. Unfortunately, it has also been frustrating for television producers, who believe that they should not have to give both funding and air time to French movies.\footnote{Rinaman, Karen. French film quotas and cultural protectionism. American.edu. http://www.american.edu/ted/frenchtv.htm(accessed November 20, 2006).}

Financial encouragement has also been offered to programming producers through an organization called the Compte de soutien aux industries de programmes.
(COSIP), or the Fund for Support of Programs Industry\textsuperscript{21}. COSIP draws funding from all television channels, which must donate 5\% of their net revenue, as well as from taxes on movie theater tickets and video rentals\textsuperscript{22}. Thus, the more money a movie makes in the theater, the more revenue that theater has to claim, and the more money it donates to COSIP.

Specifically, the funds brought in by COSIP are distributed to French filmmakers and producers of audiovisual works. Although French movies out-grossed American ones in the 1970s and 1980s, that is not the case today. Only about a third of the revenues taken in at the box office come from domestic films and about 60\% of the box office revenue comes from American-made films\textsuperscript{23}. In the long run, COSIP’s efforts are intended to take some of the revenue brought in by foreign films and put it back into improvements for the French film industry. Today, COSIP also draws funding from a tax on text messages, integrating yet another communication technology into the cultural enrichment effort.

The large percentage of income from American films is still a concern to the French. As President Jacques Chirac mentioned, he doesn’t want to see “European


culture sterilized or obliterated by American Culture for economic reasons that have nothing to do with real culture."24 This issue has led to the conclusion that French filmmakers need to become less dependent on subsidies, and should be creating more commercial movies as well. The industry has been slowly shifting towards movies with commercial appeal by creating more big-budget films to compete with imports.

Another concern in France’s film industry is the number of short film being produced domestically. France is the largest producer of short films in Europe. Unfortunately, these short films have little commercial value due to their limited options for distribution internationally, and even at home. As companies and schools pour money into the production of short films, the return on their investment is minimal.

Keeping tabs on these and other concerns is the Centre National de la Cinématographie (CNC) 25. Supervised by the cultural ministry, the CNC provides large encouraging provisions in the form of subsidies to filmmakers, along with the help of the central government and ministry. The CNC’s subsidies for movies are given in

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two different types of programs: automatic and discretionary\textsuperscript{26}.

Automatic aid is given when the film is being developed, and must meet very specific criteria. In order to receive automatic aid, the cast and crew must be residents of the EU, the Film must be made in France or one of its territories, co-production must be formalized through a treaty, and the film must be directed by people from the EU or who have lived in France for over five years.

Discretionary aid comes in the form of loans with no interest. In the past, they have gone exclusively to new directors and films deemed “artistic.” More and more, however, larger amounts of money are being given to bigger productions in order to compete in the commercial film industry. In order to procure these loans, the director must get a license from the CNC, and therefore be a French national. The film must also be shot in French. Discretionary aid is further divided into aid for new directors and experienced directors. These two groups receive funding loans for about 20 and 30 movies, respectfully. Although the money given to the directors is considered a loan, they are intentionally very loose on repayment policy. Therefore, only about ten percent of the loans are actually repaid in full.

France and other countries also give discretionary aid to co-production films between people from different countries. In France, this fund is called the Fonds Eco

and provides subsidies to co-productions with other Eastern European countries depending on various treaty conditions\textsuperscript{27}. When a film qualifies for these subsidies, it is given aid in the same way as a film completely produced in France.

The CNC is also a large supporter of short films through production assistance and quality awards\textsuperscript{28}. They not only subsidize short films, but also support their exhibition on television. Support from the CNC is given specifically by the Financial Contributions Committee and by COSIP. A committee consisting of ten professionals and four people from television stations gives production subsidies to those scripts they deem worthy. A separate committee of ten people reviews films after they have been made and give out different awards, along with financial support, to the best short films\textsuperscript{29}. This money is usually split 80/20 between producers and directors. It does not, however, have to go towards creating new films. These quality awards are intended to champion excellence in short films rather than stimulate quantity productions.


If these subsidies from the CNC were not enough, tax breaks are also given to filmmakers by film financing companies operating under the Sociétés de Financement du Cinéma et de l'Audiovisuel (SOFICA). The film financing companies get money by giving out loans with interest to filmmakers. They get the money they loan out from investors, offering excellent tax breaks for those who contribute to the company. Companies who contribute can write off up to 50% of their investment, while individuals who contribute up to 25% of their income can write 100% off on their taxes within five years of their investment.

Unlike with CNC subsidies and loans, SOFICAs draw up payment plans unique to each film production and hold producers to it. Sometimes these payment plans demand most of the money back quickly after the film is completed, but other times the payment period is drawn out so that the SOFICAs can share in a larger portion of the production revenue. In either case, SOFICA is always recognized in the film credits.

The CNC and SOFICA both exemplify ways in which the Government gives funding and financial incentives to filmmakers in order to create a French film industry that champions both quantity and quality filmmaking. This generous funding serves to increase the number of people

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producing French films by offering more financial compensation. The more films that are created, the more these films are exported to disseminate the French culture and, for all intents and purposes, counteract the imported works from non-European and even pan-European countries. Unfortunately, even with all the subsidies and funding that programmers receive, they are still having difficulty keeping up with the television industry’s demands for programming. ³¹ Still, both quality and quantity programming funding are important for maintaining French culture through film, as well as sharing the culture with the world.

The commitment to culturally stimulating French productions became an especially prominent issue in 1994³². That spring, the world’s leading nations in trade held the General Agreement on Tariffs and Trade (GATT) talks in which the American negotiators agreed to remove tariffs on all European goods. Their one stipulation was that Europeans, especially the French, removed their restrictions on American films and handled them as equals without special treatment. To this, the French clearly refused, promising to veto any proposition that would require them to lower their taxes and quotas on audiovisual works. “If the GATT deal goes through as proposed, European culture is finished,” said Claude Berri, a well-known film director. As an example of what France considered to be a threat, Stephen Spielberg’s Jurassic Park

was particularly named as a “threat to [French] national identity” by high-ranking French officials.

The American negotiators eventually backed down, although not without disapproval from Hollywood which exported about $3.7 billion worth of films to France. When this occurred, French director Jean Jacques claimed, “We removed the threat that European culture would be completely eliminated.” Adding to the damage done by French policy to the US, other countries in Europe are paying close attention to France, who is attempting to rally them against cultural imperialism. Although the US could, in turn, put restrictions on French audiovisual imports, with only about $288 million worth of French films exported to the US, it is hardly worth the effort and would not damage the French industry as much as they have damaged America’s. What has been deemed the “cultural exception” created by France is still an extremely controversial policy because many say it virtually eliminates free trade in the industry.

With the coming of internet, as with any new medium, new cultural protection issues arose. One recent issue came up when Google announced that they may be making works from the world’s largest libraries available online. France, concerned that the collection will be dominated by English works, began a project of their own to put famous French works online. Another issue, which the government cannot really control, is that people are increasing their consumption of American music by getting it online rather than over the radio, rendering the radio quotas practically obsolete.

Some people, including the French government, argue that cultural protectionism makes sense and maintains cultural diversity. These people argue that by protecting individual cultures and not allowing them to blend together or influence one another, we end up with a greater cultural plurality. The opposite argument has also been made, however, stating that the French policy of cultural protectionism decreases its competitive edge in the international market. Those who oppose cultural protectionism also claim that by limiting the flow of ideas, you create a nearly static culture, which is not a true national culture at all. Culture must have some malleability. People who say otherwise may be confusing culture with tradition; tradition is merely one component of culture.

Progressively, more exported films from France are inspired by another era, describing historical French culture rather than popular culture; an area of more interest to specialized groups than a broad audience.

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Artistic integrity has long been a characteristic of French film-making, which dominated the global market in the early 20th century, but producing niche films that catered to French, particularly Parisian audiences, ultimately led to the downfall of the once great industry. Economies that flow are very important in an international market and, unfortunately, the French productions do not flow well. Content that caters to French people as well as the fact that the French language is not as widely spoken throughout the world as English both contribute to difficulty in French productions’ marketability. Another issue is that although the French must have certain amounts of European Union programming, none of the countries of the EU have quotas for specifically French content.

Those who oppose French policy claim that restrictions and quotas do not fit in to a competitive world and they make French productions, which already have some difficulty in terms of marketability, even more difficult to sell internationally. Despite their controversial nature, the French Ministry of Culture claims that most television and film producers believe that the restrictions and quotas placed on them are beneficial to the industry. In private, however, many may change their stance, saying that the restrictions take away the freedom of both producers and viewers.

Hollywood has maintained a huge presence in this debate. They put together a campaign against the EU when they began audiovisual quotas, and their anti-cultural exception position is well known. Some analysts, however, have decided that America should remove themselves from the debate. They believe that if Europeans work through the issue without American interference, they will decide that American cultural imperialism is not a significant threat. Rather, they may find that the true
threat is France imposing their restrictions and quotas on other countries, affecting the international market.\textsuperscript{38} 

There is another controversy taking place within France over whether culture is being protected, or monopolized through the existing cultural protectionist policies. Currently, it is widely accepted that the diversity of the French people is not well represented in television programming. In addition, the medium is virtually monopolized by the French government and one large corporation. Together, these factors combined with quotas for French programming are said to be putting a cultural monopoly in to place.\textsuperscript{39} Unfortunately, it is very difficult to implement any quotas to regulate the lack of diversity represented in programming while maintaining the cultural presence in programming.

Although the debate over French protectionism is far reaching, it is not the only instance of cultural protectionism, or even the oldest. Other countries such as China, Canada, and South Korea have had policies, whether successful or not, that aimed to protect against cultural imperialism. France’s policies, like some other countries’, have become very controversial because they affect the audiovisual industry as well as free trade in France and internationally. The quotas, restrictions, and subsidies placed on French media have been seen as a benefit to some industries such as radio and film, but can also be a hindrance to others such as television and the


internet. Despite the near monopoly on television content by the government and one large corporation, efforts seem strong to illustrate French culture and its diversity through television and other media.

The cultural exception to free trade is still seen as an important measure for protecting France and all of Europe from American cultural imperialism. Whether or not this is actually the case, however, remains unclear. It should be interesting to see if the trend toward cultural protectionism continues, dwindles, or spreads in the future.
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