

# Russian Film Production: Between Hollywood & Kremlin

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Director Andrei Zvyagintsev after winning for best screenplay in Cannes.

When Andrei Zvyagintsev's "Leviathan," a social satire of Russia based on the stories of the biblical Job and U.S. vigilante Marvin Heemeyer, premiered at the Cannes Film Festival last month, it scored a Best Screenplay award and sold to more than 50 countries.

It did not sell to Russia.

The Russian film market is the eighth biggest in the world, but domestic production struggles for a market share against Hollywood, which spends as much money on a single blockbuster as the entire Russian film industry does on a year's worth of releases.

The government has stepped up in recent years to plug the revenue gap with lavish subsidies.

But while the plan is to create a self-sufficient film industry, the worst-case scenario is the rise of propagandist cinema funded for ideological correctness, not artistic quality or

commercial prospects, experts warned.

"The danger is present ... though filmmakers remain free for now," said Nina Romodanovskaya, the head of movie industry portal ProfiCinema.ru.

They may not have long left. In a telling example, "Leviathan," which hoped to secure domestic distribution at the 25th Kinotavr Film Festival, which ran in Sochi from June 1 to 8, already risked a ban in Russia beyond the festival circuit.

The problem was that the film contains expletives, which are now prohibited under a recent law endorsed by the Culture Ministry, whose head Vladimir Medinsky is known for his ultrapatriotic and ultraconservative stance.

Medinsky stressed in May that he would not cut any slack to Zvyagintsev, who will have to edit his satirical production or not see it released at home.

He also confessed to disliking "Leviathan," while admitting it was a "talented" movie. "Russians do not drink that much," the minister was cited as saying.

## **Not Welcome at Home**

The Soviet Union, despite ideological censorship, had a thriving film industry with an annual audience of some 220 million viewers in the 1980s, according to cinema news website Film.ru, and bagged several Academy Award and Cannes wins — no mean feat from behind the Iron Curtain.

That only makes all the more astonishing the industry's annihilation after the Soviet Union's collapse, as movie theaters fell into disrepair and people opted for pirated videocassettes. In 1997, annual ticket sales stood at 0.25 per capita, according to marketing company Nevafilm Research. In other words, only one in four Russians went to the movies at least once that year.

Fast-forward to 2013, and it looks like a bright new world in which Russia's total box office stands at \$1.4 billion, a sevenfold increase over a decade and on par with India, Germany, France and Britain, though significantly behind China, Japan and the U.S.

The catch is that domestic features get a very meager cut of the market, accounting for only 18 percent of the national box office, according to market analysis company Movie Research.

What is worse, they are not making money: Of 110 feature films produced in Russia last year, only eight turned a profit, according to Movie Research data. In 2012, 11 out of 86 were profitable.

The majority of these films are mainstream fare with commercial expectations, which sometimes pan out, as with the 3-D war epic "Stalingrad," which became Russia's top-grossing film ever last year with a box office return of \$66 million.

However, even that gross was not enough to recoup the movie's \$30 million production budget, given that, according to Alexander Luzhin of Movie Research, producers usually get only about 42.5 percent of what the film makes in theaters, the rest going to theaters

and distributors.

Comedies remain one guaranteed source of revenue, thanks to their modest budgets: Last year's wedding film "Gorko!," for example, grossed \$25 million on a budget of \$1.5 million.

But isolated wins are not enough to salvage an industry that spends an average \$250 million on production a year, and earns about \$160 million, said Daniil Dondurei, editor-in-chief of *Iskusstvo Kino* magazine, or "The Art of Cinema."

The problem is that Russian films have to compete against the world's best, including Hollywood's heavy artillery, for a slot on home turf, Alexander Kotelevsky, deputy head of the Producers Guild of Russia, said Tuesday.

"Tom Cruise is as much a People's Artist of Russia as Konstantin Khabensky," he quipped. Khabensky was the runner-up in the Russian "actor of the year" poll by the state-run VTsIOM for the past two years.

### **Saved by the State**

What saves Russian producers from the debt pit is state money.

In recent years, the government has thrown several billion rubles a year at the film industry, including not just arthouse productions and debuts, but also films with commercial prospects. Last year the total figure, as voiced by Prime Minister Dmitry Medvedev, stood at 6.7 billion rubles (\$190 million).

Most of the funding has so far been sunk costs: that is, the government never expected to recoup the money.

Thanks to this, Russia's film producing industry was some 235 million rubles (\$6.7 million) in the black in 2013, according to Luzhin of Movie Research.

The universally recognized downside of this policy has been the low quality of many films. When State Duma Deputy Robert Shlegel proposed introducing a 50-percent screen quota for Russian movies, theater owners rebelled, saying it would bankrupt them because audiences simply do not want so many Russian movies, RBC reported Wednesday.

### **From Stalingrad to Crimea**

The multimillion dollar question is, however, whether the government wants the money, or whether it has something else in mind.

President Vladimir Putin said last year that the state was interested in films that "meet the strategic goals of the country ... and promote a healthy lifestyle, patriotism, spirituality, kindness and responsibility."

He specifically stressed he wanted no censorship and conceded that "the state can make a movie, but it cannot make people watch it."

But that does not stop officials from trying. Russian film production has seen its share

of outright propaganda movies, such as "Olympus Inferno" about the Russian-Georgian war of 2008, and "Some Like It Cold," a comedy touting the 2014 Sochi Olympics.

Recently, the focus has increasingly been on World War II films such as "Stalingrad," said Romodanovskaya of ProfiCinema. Russia's victory over Nazi Germany has become the linchpin of Putin's conservative ideology in recent years.

### **Pay the Piper, Call the Tune**

Independent industry players were reluctant to speak on the record about propaganda in Russian film production. Those who did conceded it was present, but sought to downplay it.

"Everything changes so fast ... and not even the Culture Minister is forever," said Romodanovskaya.

"He who pays the piper calls the tune," said producer Kotelevsky. "But there is nothing wrong with propaganda per se, as long as it's propaganda of good, eternal values."

But a prominent film critic said the government was interested in the film industry for ideological, not economical reasons.

"Not even a mite with the wrong ideology would slip by the Culture Minister," said the critic, who declined to be identified to avoid problems with the minister.

And some filmmakers, at least, see no problem in spending state money on films about the state's major achievements, such as Taisia Igumentseva, who won a prize for best student film at the 2012 Cannes Film Festival.

Igumentseva applied in late May for \$4 million in state funding for a film about Russia's recent annexation of Ukraine's Crimean peninsula — an event widely promoted as a major political success for Putin.

The young filmmaker denied propagandist undercurrents to her project in a recent interview with Snob.ru, while saying she was not the only director to contemplate making a film about Crimea. Her request for funding was still pending as of this article's publication.

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