

The Political Economy of the Lao Film Industry

*A Dissertation Submitted in Partial Fulfillment of the
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Bachelor of Arts
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by
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APPROVAL OF DISSERTATION

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DECLARATION

I, Lakshmi Nagaraj, hereby declare that the dissertation, entitled “The Political Economy of the Lao Film Industry” is a record of original research work undertaken by me for the award of the degree of Bachelor of Arts in Economics (Honours). I have completed this study under the supervision of Dr. Radhika Lobo, Professor, Department of Economics.

I also declare that this dissertation has not been submitted for the award of any degree, diploma, associateship, fellowship or other title. I hereby confirm the originality of the work and that there is no plagiarism in any part of the dissertation.

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Abstract

The primary purpose of the study is to critically analyze the film industry of Laos from a political economy perspective. The different facets of the film industry are examined by linking them to the system of governance, economic and political factors and the historical context in which the industry has developed. The challenges in its development and the reasons for the same are mapped through a 11-year period between 2008 and 2019. The study reveals that the constraints faced by the industry as a whole and the individual filmmaker affect not only the quantity of films but also the content of the films. The most important conclusion that is drawn is that the current structure of political economy has an effect on the diversity of film themes. Through the powerful of tool of censorship, the communist government dictates the film content. But there are many indirect and intangible effects of the political-economic system that have also led to the restriction of themes. The study finds that the general effect of the limitations of the current system is a heavy leaning towards entertaining themes and the marginalization of artistic themes.

Contents

Chapter 1: Introduction

| | |
|------------------------------|---|
| 1.1 The Film Industry..... | 1 |
| 1.2 Scope of the study..... | 3 |
| 1.3 Rationale..... | 3 |
| 1.4 Research Question..... | 4 |
| 1.5 Research Objectives..... | 4 |
| 1.6 Methodology..... | 4 |

Chapter 2: Review of Literature

| | |
|------------------------------------------------|----|
| 2.1 The Political Economy of Media | 6 |
| 2.2 The Political Economy of Film..... | 8 |
| 2.3 The Political Economy and Film Themes..... | 9 |
| 2.4 Film in Laos..... | 11 |

Chapter 3: Historical Background

| | |
|----------------------------------------|----|
| 3.1 The Political Economy of Laos..... | 13 |
| 3.2 History of Lao Cinema..... | 14 |
| 3.2.1 Lao Cinema pre-1975..... | 14 |
| 3.2.2 Lao Cinema post-1975..... | 14 |
| 3.2.3 The New Wave..... | 15 |

Chapter 4: Political Economy of the Lao Film Industry

| | |
|--------------------------------|----|
| 4.1 The Budget Constraint..... | 18 |
| 4.1.1 Sources of Funds | 18 |

| | |
|------------------------------------------------|-----------|
| 4.1.2 The Effect on Production | 21 |
| 4.1.3 The Effect on Themes..... | 22 |
| 4.2 Distribution Channels..... | 23 |
| 4.3 Consumption Patterns..... | 24 |
| 4.3.1 Reasons for Low Consumption..... | 24 |
| 4.3.2 The Effect on Themes..... | 24 |
| 4.4 The Effect of Communism..... | 27 |
| 4.4.1 The Censorship Process..... | 27 |
| 4.4.2 Censored Content..... | 28 |
| 4.4.3 Reasons for Strict Censorship..... | 31 |
| 4.4.4 The Effect on Themes..... | 33 |
| 4.5 The Effect of Economic Liberalization..... | 34 |
| Chapter 5: Conclusion | |
| 5.1 The Industry Mechanisms..... | 35 |
| 5.2 The Reflection in Themes..... | 37 |
| 5.3 Recommendation..... | 39 |
| References..... | 41 |
| Appendices..... | 45 |

Chapter One

Introduction

1.1 The Film Industry

Cinema is a medium of art that has the power not just to entertain, but also to tell stories and mould people's thoughts. It is a form of mass communication that has the power to mobilize people for social action. New narratives can bring forth subjects that haven't been explored before and show the world the hidden truths of reality. Thus, the film industry must be given its due importance. In developed countries, cinema has existed for many decades and is a flourishing sector. The motion picture industry originated in the late nineteenth century in Europe. In the United States, the industry has existed ever since the beginning of the twentieth century. In 2015, the cinema industry contributed US\$100 billion to the GDP in the US (Nichols, 2018). Even a country like India, which is a developing country, has a booming film industry. In 2018, the Indian Media and Entertainment Industry contributed US\$ 22.28 billion to the GDP of the country (Indian Media and Entertainment Industry Report, 2019).

It has been established time and again that economics doesn't exist in a vacuum; it is influenced by several aspects. In other words, economic aspects coexist with other factors in all areas. A large number of theories ranging from the fields of political economy to behavioral economics describe the significance of the effect of social, political and cultural factors on economic phenomena. Extending this logic to the film industry, we find that a number of factors affect the workings of the production, distribution and consumption of films. Although this is true for all the countries in the world, the constraints faced by developing countries and developed countries differ, especially because of the economic disparities. The media industries

in communist countries are further affected by the unique conditions of political economy that come with that form of governance (Wasko, 2008).

The Soviet Media Theory, also known as the communist media theory, works on the lines of Leninist principles. The theory propounds that the State has absolute power over all media in communist countries. Private enterprises cannot own or operate press or any other forms of media. Journalists are to work under the government; they are to support the leaders and not criticize them. The purpose of this is to protect the interests of the working class. Media is used as an instrument by the government to transmit socialist policies and propaganda. It is supposed to provide information, education, entertainment and motivation in order to mobilize the masses. Feedback from the public was allowed. The theory also states that small criticisms about the government are permitted, but criticizing the State as a whole is prohibited. This was considered a crime.

The Socialist Cultural Theory is a small branch of the Soviet Media Theory. It states that all cultural production represent the class interest of those who produce it. Writers, artists and journalists portray “tendencies” of the said class; in this case, the interest of the working class would be portrayed. But as the Soviet Media Theory suggests, the portrayal would be through the eyes of the Communist government. The two theories indicate how the State in communist countries creates a unique situation of political economy that could influence the themes in films in particular and media in general.

Laos is a small South-East Asian country that shares borders with Cambodia, China, Thailand, Myanmar and Vietnam. It is still in the initial stages of development and is hence in the list of the least developed countries. The country adopted a communist regime in 1975 and has remained a command economy till date. Being a developing country as well as communist

one, the country has had a number of factors affecting the growth of its film industry. The commercial film industry in the country is just a decade old. As the industry has just started to bloom, it is faced with many obstacles. This study aims to reveal the nature of the obstacles from a political-economic perspective as well as their effect on the diversity of the themes in films.

1.2 Scope of the Study

The dissertation aims to analyze the factors that make up the political economy of the Lao film industry. First, the fundamental economic factors of production, consumption and distribution are analyzed. The study then moves on to examine the effect that communism as a system of governance has on the industry. Next, the effect of economic liberalization on the industry is considered. Finally, the impact of all these factors on the themes explored in Lao films are studied. The time period that will be studied is 2008 to 2019.

1.3 Rationale

Various theories of development communication state that mass communication can lead to the social and economic development of a country. According to these theories, development is human-driven. The theories argue that communication can bring about awareness and understanding of issues, which can then lead to discussing of ideas, negotiation and innovation. The Modernization Theory, propounded by David Lerner and Wilbur Schramm, states that mass media plays a huge role in propagating ideas of social change, which can lead to the modernization and development of developing countries. The model emphasizes that media can play a big part in promoting empathy and physical mobility, which are two vital prerequisites for development. The Diffusion of Innovation Theory by Everett M. Rogers makes the same

implications. The theory considers social change to be in terms of diffusion of new ideas and practices which are critical for the development of a country. Here, communication plays the role of awareness-raising, organization and politicization.

The study will focus on the cinema industry in specific because the growth of the industry can lead not only to employment opportunities and revenue generation in this specific sector but also the development of the country as a whole, eventually. Laos is chosen as the country of study so as to provide an example of how this can be possible in a developing country.

1.4 Research Question:

What is the effect of the existing structure of political economy of the Lao film industry on the themes of Lao films?

1.5 Research Objectives:

- To study the political economy of the Lao film industry.
- To analyse how this structure of political economy is reflected in the themes of Lao films.

1.6 Methodology

To fulfill the first objective, the political economy of the film industry will be studied through the following five parameters:

1. The budget constraint
2. Consumption patterns
3. Channels of distribution
4. The effect of communism

5. Economic liberalization

The method of data collection for this element of the study will be expert interviews. In-depth interviews of seven industry professionals of the Lao film industry will be conducted, largely through Skype. The industry professionals interviewed fall into three categories: filmmakers, film producers and directors of film festivals. The sampling method is snowball sampling. The qualitative method of thematic analysis is employed to analyze this data. This is the first phase of data analysis.

After studying the factors that constitute the political economy, the effect of the same on the themes in films will be analyzed. This is the second phase. For this, a thematic analysis of 10 Lao films, released within the time period of 2008 to 2019 will be done. The purpose of this phase is to examine if and how the constraints found in the first phase are reflected in the themes explored in films. The sampling method employed is convenience sampling. Convenience is based on the availability of English subtitles for the Lao language films. Two legal websites, Youtube.com and Vimeo.com were used to stream the films.

Chapter Two

Review of Literature

2.1 The Political Economy of Media

Political economy as a field of research has been popular since the 1700s. Adam Smith, a classical economist, approached his study of the Industrial Revolution by drawing on the philosophical theories of Enlightenment. Karl Marx further popularized the discipline by propounding the theories of historical materialism and class analysis, thus providing a new approach to study the capitalist system (Holt and Perren, 2009). After the Second World War, there was an explosion in the number of communication studies. As this new discipline increasingly gained recognition, academics started to diversify their approaches by borrowing theories and frameworks from the field of political economy. These theories were used to analyze various phenomena, of which a very important one is the role of the government in the development and administration of media industries (Peng, 2013).

The study of the political economy of media focuses on the power dynamics that affect the participation in and ownership of cultural production (Murdock and Golding, 1973; Garnham, 1994). It examines not just the description of the economic activities of the industries, but more importantly, it focuses on the wider historical, societal and political contexts in which the industries are embedded (Garnham, 1994; Mosco, 1996). These contexts are important because they point out the reasons why the *lassiez faire* approach may not work. The contextualization draws attention to the fact that the inadequacies of the free market approach may be due to the imbalance of power dynamics which are embedded in the fabric of society (Compaine and Gomery, 2000; Mansell, 2004).

The 1980s saw a series of economic, political, social and technological changes which

can be linked to the global shift in governance by States. The idea of a market economy gained increasing prominence as more and more States started discarding the command economy approach. There was a general movement towards the adoption of a market economy. Some academics even went so far to say that the idea of a nation state is dead. Robert Gilpin, however, opposes this proposition. The nation state in fact still governs the path of economic development. Most of the decisions concerning economic issue are made by the national governments. They are also in power of guiding how different economic actors must function and hence, they indirectly have ultimate power over the economic consequences. The state leads the market, rather than following it (Giplin, 2001). In their study on State power and media globalization, Nancy Morris and Salvio Waisbord found that even in today's globalized world, the power of the state has not diminished. Even though international agreements tend to weaken the ultimate superiority of the State, the State still has the very concrete tool of lawmaking. The State passes laws that the different media industries must abide by. In communist states, this means that media essentially becomes an ideological branch of the government. Klaehn remarks that this is dangerous because it leads to the control of the citizens' very thoughts. The government indirectly determines what are "thinkable thoughts" and what are not. In this way, the government directs the citizens to think and act in a way that serves the State's purpose (Klaehn, 2010). The economic system of Laos is an example of this kind of a structure. Naturally, in such a system, the various media industries as well are under the control of the State. The State has the authority to control the content and withhold licences and use any other restrictive measures to protect the public policies (Klaehn, 2010).

2.2 The Political Economy of Film

Janet Wasko remarks that while analyzing the political economy of film in a nation, film must be analyzed in the context of the political, social, economic and historical setting of the country. This requires not just describing the cinema industry but also studying it in a wider context encompassing class and social relations, as suggested by Garnham and Mosco previously (Wasko, 2005). Since different countries have different contexts, the research methods and focuses differ. But all the methods share some common characteristics, which are broadly classified into four categories by Vincent Mosco (2009), Graham Murdoch and Peter Golding (1996). To start off with, political economy takes a historical approach. Social change through the years and historical transformation in economies are taken into consideration while examining the industries. Secondly, political economy takes a holistic approach. Societal relations are studied as a whole, rather than focusing on certain aspects in isolation. Thirdly, the discipline takes a critical approach. This means that it is normative in nature, as it takes into account theories of moral philosophy and raises questions of social justice and equity. Finally, political economy is social praxis. It emphasizes the need to use the findings to create social change and putting theories into practice while doing so (Mosco, 2009; Murdock & Golding, 1996).

The research on film study thus needs to fulfil all the four criteria when a political economy approach is taken. Wasko (2005) emphasized that most importantly, films must be seen as commodities that are produced and distributed within a capitalist structure, which in turn has been shaped through a historical process. Simultaneously, political economists must study the film industry while contextualizing it within the communication industry, and on an even bigger scale, within society as a whole. Their aim must not be just to describe the situation but to

challenge it.

Although the research on the political economy of communication has grown tremendously, the political economy of film remains largely unexplored. According to Wasko, there are three major reasons for this. Firstly, academics vastly study film through an artistic and ideological lens, which removes it from the context of society. Secondly, film is classified under the category of entertainment, which includes fictional content. Academics thus tend to overlook film as an area worthy of research in political communication (Van Zoonen, 2005). Lastly, the access to relevant material poses as an obstacle. It is easy to get access to film texts, because of which there is a wide range of research done on individual films or types of films. But it is much harder to get access to objective data regarding the film industry as a whole, with different data sources providing different standpoints (Wasko, 2004). This makes the field so much harder to study and discourages researchers. The research that does exist, however, has not been very diverse. In 1978, Thomas Guback, through his essay called “Are We Looking at the Right Things in Film?”, questioned the way films are analyzed. He emphasized that film studies have excessively concentrated on criticisms, theory and historical aspects. Gilpin identified that it is time for a new approach to be taken: cinema must be considered an economic institution. An “institutional approach” must be taken where cinema is studied through a political-economic lens.

2.4 The Political Economy and Film Themes

Historical, economic, political and social structures of a country determine the power dynamics that come into play in the industry. They affect all the facets of the film market: production, consumption, distribution and exhibition. But this influence doesn't stop just at the

mechanisms of the market; they creep into the content of the film as well. The constraints that the industry faces in all its facets is reflected in the themes that the films choose to delve into (Hsia, 2011). The State plays an imperative role in directly shaping film themes and the most tangible and direct way to do this is through film policy and censorship. Tamara Falcov (2007), in her study of the Argentine film industry, studied how different cultural policies of different government administrations contributed to shaping the depiction of national identity in film. She established that the national culture and identity had an effect on the themes in films and that a dichotomy had developed in Argentine films. On one hand, there were elitist films which reflected European influences, and on the other hand, there were films that reflected local culture and sentiments.

But apart from the direct effect of censorship and film policy, the general economic and political structures of the country also have an effect on the film industry indirectly (Mwakalinga, 2010). An African study by Manthia Diawara investigated how the foreign policy of Mali affected the domestic film industry. The study examines how a country's political relationship with foreign countries can have a major influence on the way films are produced, distributed and exhibited in Africa. In one example, he points out that while pretending to uplift the film industry in Africa, France was actually just trying to benefit its own filmmakers. This was one of the reasons that led to the African government nationalizing some parts the film industry (Diawara,1992). In this way, the general economic and political policies of a government can affect the film industry. In turn, these effects can reflect in film themes. For instance, the general economic situation in the country can affect the constraints faced in the process of production, which can in turn have an effect on the themes in the film (Wasko, 2005). A study about the political economy of independent films in the USA found that higher

investments in the industry will not only lead to better quality of production but also wider diversity in the film themes (Keenan, 2009). Wasko, in her paper titled “Movies and money: Financing the American film industry” found that because of the commodification of film as a commercial product, films with certain themes are produced much more than others. Films with certain themes such are inherently popular and more likely to be financially successful. Films with themes with these “blockbuster” characteristics have gained prominence and side-lined films with art themes. Film commodification ignores the content of films and instead focuses solely on financial success. This can lead to the marginalization of themes (Wasko, 1982). In conclusion, economic and political factors have an influence on both the quantity and types of films produced domestically.

2.5 Film in Laos

Very few studies have been done on the Lao film industry in specific. Most of these are communication studies that focus on the role that the government has played through the means of censorship. The film industry in Laos has been heavily controlled by the government since the country officially became communist in 1975. Post-1975, film can be divided into two eras – the first one starting in 1975 and the second one in 2008. In the first era, only two feature films were made - - *Red Lotus* and *The Sound of Gunfire from the Plain of Jars*. Both these films were state sponsored. They had one predominant theme: the communists prevailing as the good guys. Both the films portrayed the Royal Lao Government, which was the monarchy in place before 1975, as the enemy and the victory of the Communists over them (Christopherson, 2015). This confirms the propagandistic motives of the government. The themes were hence restricted and the filmmaker was not given creative liberties by the State. For this reason, Som Ock

Southiponh, the director of *Red Lotus*, quit his position at the government's cinema department - Lao State Cinematography Company – just after two months of joining to become an independent filmmaker. In an article named “Starting an Asian Cinema: Laos Past and Present”, which was written by Southiponh himself, he reveals that he started running a bakery in order to finance his film projects. After 5 years of running this business, he managed to save up enough to open his own, private production company, Lao-Inter Arts, Inc., which was the first private production in Laos. The company managed to raise enough funds to make a few documentary films. But without the government's financial aid which Southiponh was previously receiving, the company was not able to raise enough funds to produce a feature film (Southiponh, 1998).

The second era of film started with the production of *Sabaidee Luang Prabang*, which was the first ever privately produced feature film in Laos. The film was produced by Lao Art Media in partnership with Sparta Films, a Thai production company. With the production of this film in 2008, commercial cinema was born in the country. This new era of films has seen a diversification of film themes. Films are moving away from propagandistic themes. Some unconventional themes such as class divide, homosexuality, spirituality and death have also started to emerge. But despite this breakthrough, State censorship is still strongly in place.

Most of the mentioned studies have solely analyzed the changes in film themes and the effect of censorship on them. The other aspects of the political economy of the industry have been largely unexplored. This dissertation is going to analyze the different factors that contribute to the current structure of the political economy of the film industry and further examine the effects of the same on film themes.

Chapter Three

Historical Background

For the purpose of contextualizing my research, this chapter will provide a brief introduction of the economic and political landscape of Laos. Further, the history of Lao cinema from the time period of 1960 to 2018 will be outlined.

3.1 The Political Economy of Laos

It is important to locate the history of cinema within the general political economy of Laos in order to gain a comprehensive understanding of the past and current situations. Laos is one of the only 5 communist countries in the world today, the others being China, Cuba, North Korea and Vietnam. When the regime changed in 1975 and the Pathet Lao took over the government, Laos became a strictly communist nation, backed by the Soviet Union. The country began the process of liberalization in the 1980s through the introduction of the New Economic Mechanism (NEM), which was a set of economic reforms towards economic liberalization. The NEM formally came into effect in 1986. The country's journey towards an open market was further accelerated after the fall of the Soviet Union in 1990. As the financial assistance from the Soviet weakened, Laos was forced to consider foreign investment. Over the past three decades, the country has adopted some elements of capitalism such as decentralization and privatization, although limited. However, it still remains largely socialist. In addition, the country is still a subsistence economy today. According to the United Nations, it is one of the least developed countries in the world (United Nations Committee for Development Policy, 2018).

3.2 History of Lao Cinema

3.2.1 Lao Cinema pre-1975

Lao PDR, commonly known as Laos, was a colony of France up until 1954. Come 1954, the country gained independence from the French and became a constitutional monarchy. But even after it gained independence, it did not see peace. The years between 1954 and 1975 were fraught with civil war, popularly known as the War of Liberation. There was a constant struggle for power between the Communist party Pathet Lao (Lao People's Front), which was supported by the Soviet Union, Vietnam and China, and the Royal Lao Government, which was backed by the USA and France. According to Bouchao Phichit, the director of the National Film Archives and Video Center, during the years of war, especially between 1960 and 1975, cinema production was dominated by these two political parties. The only films produced were propaganda films, supplemented with newsreels and documentaries. At the end of this period, there were 16 movie theatres across Laos. In 1975, the Royal Lao Government was thrown out of power. Pathet Lao won the war and Laos officially became a communist nation (Segay, 2007).

3.2.2 Lao Cinema post-1975

After the new government took over the reins, the Department of Cinema was established under the Ministry of Information and Culture. Through this Department, the government had absolute control over the content of the films made by the Laotian film makers. The Department of Cinema mainly produced documentaries whose primary purpose was to educate the citizens about the policies of the new communist government. Although the country imported around 70 films on an average per year, there were only two feature films produced by the department in this era: *The Sound of Gunfire from the Plain of Jars* (1983) and *Red Lotus* (1987). Both these films had an underlying movie message since much of the content was still governed by political

agenda. Filmmakers couldn't become independent and move away from these inherently political themes. There was very little scope for independent films because of lack of government support and meager private funds. Thus, narratives were limited to only those that the government wanted the people to hear. When the Soviet Union, which was a major financial supporter of the country, collapsed at the end of the 1980s, Laos faced major shortage of funds. This led to the collapse of the Lao film industry as well (Segay, 2007).

3.2.3 The New Wave

After a period of stagnation, the government went back to making educational documentaries in the 1990s. In the 2000s, the only feature-length films being produced were by a private production company called Lao Art Media with the support of international organizations like UNDP and UNICEF. These films, however, were also only educational (Campos, 2016). 2008 saw a major breakthrough with the release of the first ever privately produced film called *Sabaidee Luang Prabang* by Lao Art Media in partnership with Sparta Films, a Thai production company. With this, the film industry was born again. In 2009, the Vientiane International Film Festival (VIFF) was founded with the help of a German partnership. This was followed by the establishment of the Luang Prabang Film Festival (LPFF), which was founded by Gabriel Kuperman, an American. These festivals further boosted the growth of the industry. Today, more than a decade later, the film industry has seen a lot of changes. The industry has grown not only in terms of the quantity of films produced, but also the varied themes explored in the films. This new phase that the industry is going through is called the "Lao New Wave Cinema", coined by a production company by the same name. The Lao New Wave doesn't have a new language of cinema or new modes of filmmaking like the French Nouvelle Vague or the British New Wave;

rather, it is defined simply by the new themes that the films explore (Polmuk, 2018).

It is to be noted, however, that the industry is still extremely small. On an average, only 2 to 3 films are produced every year in the country. The government still has a strong hold on the content of the films (Christophersen, 2015). The themes explored in the Lao New Wave, although different from the previous era, are still strongly dependent on the political and economic climate of the country.

Chapter 4

Political Economy of the Lao Film Industry

The Lao film industry is so small in size that some directors are of the opinion that it is not even eligible to be called an “industry”. The size of the industry is also indicated by the fact that there are no official records of the number of films made, the revenue generated or the investment in filmmaking. The primary study conducted by the researcher revealed that from the period of 2008 (which was when the first film was made) till October 2019, lesser than 20 commercial films have been produced. Barely 2 films are made every year, on an average, and it is not unusual even if a year goes by without a single film being produced. Currently, there are four film directors who are actively making feature films, namely, Anysay Keola, Mattie Do, Jear Pacific and JoJo Miracle. These directors belong to the following four production houses, respectively: Lao New Wave Cinema Productions, Lao Art Media, Kheoheng Productions and Miracle Productions. There are more directors who have made short films or are in the process of making feature films, but only directors who have already released at least one feature film commercially have been taken into account here.

The study aims to examine the current political economy of the Lao film industry and further establish its reflection in themes. In order to achieve this objective, the data was collected by the researcher through a primary study conducted using in-depth expert interviews of industry professionals. A semi-structured interview questionnaire was used for the same. The questionnaire was divided into the following six themes:

1. Funding
2. Consumption
3. Distribution

4. Censorship
5. Economic Liberalization
6. Themes in films

The researcher supplemented the findings about the films themes by viewing a sample of the films as well. The analysis is developed using the same pre-determined themes as the questionnaire. The time period that the study examines is 2008 – 2019. 2008 is chosen as the start year because this was the year that the first commercial Lao film made. Prior to this, only government-sponsored films were produced. Hence, the period pre-2008 is not considered.

The following five sections examine the political economy of the Lao film industry. The implication of the current structure of the political economy on the film themes have also been investigated.

4.1 The Budget Constraint

This section focuses on the production side of films by bringing out the financial constraints that are faced by filmmakers.

4.1.1 Sources of Funds

There are no formal mechanisms that allow Lao filmmakers to secure funding. The government does not have any official film policy that governs this aspect of production. Therefore, there is no standard method of financing. Filmmakers resort to different methods for funding their films. The following are the four major sources of funds that are adopted by them: self-investment, co-production with other countries, grants and corporate sponsorships.

Self-investment is the most popular mode of funding films. In most cases, filmmakers fund their own projects. Filmmakers invest their time in doing other jobs in order to earn money

which they invest in their film projects. Some filmmakers do related jobs such as contract-based photography and videography for commercial companies. They also make documentaries for educational campaigns run by NGOs and international organizations. Alternatively, some filmmakers are involved in running unrelated businesses such as tea trading, running a restaurant or selling t-shirts. These other jobs that the filmmakers do are considered their “real” jobs whereas making films is considered passion projects. The reason for this is that income earned through filmmaking is not sustainable. Although there are no official numbers available regarding the income generated through filmmaking, the respondents unanimously opined that this income is neither stable nor adequate to make a living. The other jobs are taken up in order to earn enough money to invest in their real passion which is filmmaking. Ms. Vannaphone Sittirath, a director/producer in Lao New Wave Cinema Productions, stated that “we earn money for films, not from films”. The money that is earned and saved is invested in buying filmmaking equipment as well as manpower. It is to be noted that sometimes, cast and crew even work for free. For example, the entire cast and crew for *At The Horizon* worked for almost no compensation. This film was Anysay Keola’s thesis which was submitted in partial fulfilment of his postgraduate degree. Hence, he had a very limited budget and was thus able to make minimal payments. Here, it is the investment of the time of the cast and crew, which leads to a huge opportunity cost.

In some cases, there are multiple investors who hold shares but they often belong to the same filmmaking team. For example, Lao New Wave Cinema Productions has 9 permanent members, all of whom invest in any project taken up by the production company. Investors are paid back based on the size of the profit generated. In some cases, investments from individual external investors are secured but this method is still very rare in the Lao film industry.

The second most popular method of securing funds is co-productions with other countries. This is a type of external investment where the film is made in partnership with a company from a different country. The film could be completely or partially funded by the foreign company. In the case of Lao films, the foreign company, in most cases, invests the larger share of capital. *Sabaidee Luang Prabang*, which is considered to be the first commercial feature film in Laos is a co-production between Lao Art Media and Thai production company Sparta Films.

Thirdly, filmmakers have the option to apply for local and international grants. Locally, there is only one grant program, which is the Lao Filmmaker Fund. (LFF). It is operated by the Luang Prabang Film Festival, which raises funds through various mediums and then grants it to selected film projects. Every year, around 15-20 applications are received, of which 3-4 are selected for grants. In 2019, the total grant amount was \$15,000. A film project can receive a grant anywhere between \$500 to \$13,000. From the time of its inception in 2014, the LFF has given out close to \$190,000 in grants. Filmmakers also have the option of applying to international grant programs. Although this option could result in higher funding, it is seldom chosen because of the massive foreign competition that comes with it.

Lastly, sponsorships are of two types: corporate sponsorships and free sponsorships. Corporate sponsorships are given to filmmakers through the method of product placements. Product placement is the deliberate inclusion of a brand name, product, signage or any other trademark merchandise in a scene of the film (Steertz, 1987). The monetary compensation given to the filmmaker for such a representation is in turn used in financing of the film. For example, in the anthology film *Vientiane in Love* by Lao New Wave Cinema Productions, one scene takes place at the gas station. This was a product placement for their sponsor PetroTrade, which is a

public petroleum trading company. In *Chanthaly* by Lao Art Media, characters were seen drinking beer produced by the local beer company Beer Lao in multiple scenes of the film. This is another example of product placement.

In the case of free sponsorships, NGOs fund film projects on the condition that the film is based on a theme that the NGO wants to promote. For example, *Noy – Above it all* is a 2015 film directed by Anysay Keola and sponsored by Oxfam International. As Oxfam works in the direction of community development and social protection, the central theme of the film was the struggle of a girl from the Hmong community, an ethnic minority group in Laos.

4.1.2 The Effect on Production

Almost every Lao film is characterized by a shoe-string budget. A meagre budget leads to many undesirable consequences for a filmmaker. The lack of funding is actually one of the reasons for the industry to have started as late as 2008. The consequences of a low budget are explained through the example of Mattie Do's film, *Chanthaly*. *Chanthaly*, made in 2012, is the director's first film. The budget for the film was only \$5000. The effect of such a low budget is seen on both investment in labour as well as capital. The most glaring consequence of such a low budget is the lack of division of labour in the production process. Because of inadequate funds, filmmakers cannot hire specialists for different tasks in the filmmaking process. Along with their original job of directing, the director is also forced to take on additional roles in pre-production tasks such as finding funding, budgeting, scriptwriting, scheduling, casting, getting script approval as well as post-production tasks such as editing, marketing and distributing the film. As suggested by Adam Smith, this one-man-army style of production leads to inefficiency. The low budget could also lead to unpaid labour, which was the case in *Chanthaly*. Most of the crew of the film voluntarily worked for free.

Low investment in capital translates to cheaper filmmaking equipment. *Chanthaly*, for instance, was shot on an ordinary Canon 550 DSLR – which is only an entry/mid-level digital camera – and was edited on a MacBook Pro. In addition, the low budget also restricts filmmakers from renting studio and set space. This results in many scenes being shot in places that don't require rent, which is mostly public places that are free to all. The film was entirely shot in the premises of the director's house. The usage of cheaper equipment in combination with inability to rent studios inevitably leads to the quality of film being lower than the worldwide standard.

Chanthaly was one of the earliest Lao films and admittedly, the average film budget has increased manifold since then. Mattie Do was in fact able to reach a budget of almost \$250,000 for her second film *Dearest Sister* through crowdfunding (which is not a commonly used method). But it is important to understand that this is the best-case scenario, and the obstacles identified earlier are existing till date.

4.1.3 The Effect on Themes

The shoe-string budget has two crucial effects on the film themes. Firstly, a paltry budget doesn't allow the filmmaker to rent set spaces. This directs the filmmaker to situate the story in a setting that is available at low costs or for free. Secondly, the budget also determines the number of characters in the story. A low budget restricts the filmmaker by forcing him to tell a story that requires less characters. Let us look Mattie Do's films for instance. Her first film, *Chanthaly* is based in a domestic setting. The entire cast consists of only 6 people, of which some worked for free. The director confirmed the domestic setting was a hundred percent because of the financial constraint. In contrast, her second film, which had a budget of \$250,000 had a main cast of around 10 actors along with many more background actors. Mattie Do also responded that she would like to make a film about ballet, but the budget doesn't allow her to because such a theme

would require a cast of at least 20 actors who are also ballet dancers. This theme would also require a studio, which is not affordable for the director.

Thirdly, the low budget has an effect on genres as a whole. The financial constraints curb filmmakers from themes that would involve the need for post-production processes such as the addition of visual effects (VFX). This eliminates some entire genres such as action, science fiction, fantasy and animation. The filmmakers thus stick to genres such as comedy, romantic comedy, drama and thriller which need minimal use of visual effects.

4.2 Distribution Channels:

Distribution is non-existent in the Lao film industry. Locally, there are no exclusive distribution companies. This has led to self-distribution. This means that the production company takes on the role of distribution as well. For theatrical distribution, the production company directly approaches the exhibitor, who is the owner of the commercial movie theatre. A contract is signed specifying the share of each party in the total revenue generated through ticket sales. The study found that the exhibitor usually gets a more than 50% cut of the revenue, which is higher than the worldwide average. International distribution of Lao films is very rare.

Digital distribution is another channel adopted by the production companies. The films are uploaded on online streaming platforms of which Youtube and Vimeo are the two most popular. The films uploaded on Youtube are free and are consumed largely by the local audiences. Vimeo, on the other hand, follows the Video on Demand (VOD) method. In this method, the consumer has the option to buy or rent the film. 90% of the revenue (after deducting transaction costs) is directly transferred to the production company. The target audience for films on Vimeo were Laotian diaspora and other international audiences. The Lao citizens have limited

access to digital payment systems and hence, there is no local online market.

Home video distribution through the sale of DVDs is no more used as a channel of distribution. According to Anysay Keola, “the DVD market was there till a few years ago but is dead now”. To emphasize his point, Mr. Keola also mentioned that there were boxes of unsold DVDs lying around in his office. This change has occurred because of a shift in media consumption towards cheaper and free options such as Youtube.

These limitations of distribution have an effect on consumption patterns, which further affect film themes. This will be discussed in the next section.

4.3 Consumption Patterns:

Lao films reach a very low percentage of the population. Since there are no official records maintained regarding the ticket sales, the exact statistics cannot be presented. However, to illustrate the rough idea, the following example is shared as a representative sample. The latest film directed by Anysay Keola from Lao New Wave Cinema Production is named *Expiration Date* (2019). Mr. Keola revealed that an approximate of 8000 tickets were sold for the film. In 2018, the population of Laos stood at 7,061,507 (World Bank, 2018). The ratio of the ticket sales to the population gives us the result that the film reached a mere 0.11 percent of the population.

4.3.1 Reasons for Low Consumption:

Following are the three major factors that contribute to this low rate of film consumption.

Accessibility:

Lao films are available only via two modes: in theatres and online. This means that only people who have a movie theatre nearby or access to the internet have access to Lao films. It may be noted that there are only four commercial movie theatres in the country. Three are

present in Vientiane, the capital of the country, and one in Pakse, capital of the Champasak province. The rest of the provinces of the country have no movie theatres, thus making films inaccessible to a huge chunk of people.

Only 9 percent of the population have access to internet (World Bank, 2011). The people with access to the internet can easily watch the films that are uploaded on Youtube. However, they do not have access to VOD films because of the inaccessibility of digital payment systems, as mentioned earlier. This reduces the rate of consumption even further.

Affordability:

The price of a film ticket ranges from 40,000 to 50,000 Laotian kip, which is between \$4 and \$5. This price is quite unaffordable to the average Lao person. Only middle- and upper-income groups of people are able to afford tickets in this price range. The high price automatically results in low consumption.

Tastes:

Since the Thai language is similar to the Lao language, most Lao citizens understand Thai. Due to this reason, most of the media consumed in Laos is Thai. Although Hollywood films are popular as well, Thai films are more dominant because of the wider understanding of the language and the similarity of the culture. Thai films are abundantly available in the country. Some respondents were of the opinion that Thai films are preferred over Lao films simply because of the better production quality. But another opinion that cropped up is that consumption also depends on genre. The mainstream Thai films that the Lao audience is exposed to are made in the typical soap-opera style and focus on the factor of entertainment. The genres of these films are usually romantic comedy, action and adventure. As a result, the Lao audience has acquired a taste for the “entertainment factor”. Consequently, some Lao films which have started

to explore themes of the horror and thriller genres, which are new to the Lao audience, are not yet successful in capturing the Lao audience's attention. These films are artistic and experimental, rather than entertaining. Here, we note the intersection between genres and themes. Some genres such as comedy and romantic comedy inherently have light-hearted and entertaining themes whereas genres like drama have serious and darker themes. Because of this correlation between genres and themes, consumption depends on not only genres but themes as well.

The leaning of tastes towards more entertaining genres is made obvious through ticket sales. For instance, *Expiration Date* and *Noy - Above It All* are both Lao films made by the same director, Anysay Keola. However, *Expiration Date*, which is a romantic comedy, sold around 8000 tickets whereas *Noy - Above It All*, which was a serious drama about the minority Hmong community, sold only 2000 tickets. Mattie Do stated that:

“Let's say teenagers get an allowance of \$20 per week. So, if they're going to spend \$5 of that on a movie, they want it to be good. They want it to be worth it. So, they'll most likely spend it on a high-quality Hollywood movie or a Thai movie than go watch a relatively low-quality art movie made by a Lao director like me.”

Gabriel Kuperman, the founder of the Luang Prabang Film Festival, had another interesting opinion. According to him, the low rate of consumption of Lao films is simply because of the refusal of the Lao audience to move away from the status quo of watching Thai films. He states: “The only media that we've had in this country for many decades is Thai. So how are you going to beat that?”

Although the Lao audience is excited for the emergence of a local cinema, they don't have much incentive to substitute it for Thai films.

4.3.2 The Effect on Themes

As the theme of a film determines its level of consumption, the consumption level in turn has an effect on the film themes. Because of the higher demand for entertaining themes and thus higher revenues, there is a higher supply of films with entertaining themes than those with artistic themes. Since there is an intersection between themes and genres, consumption has an effect on genres as a whole. Most Lao films in the time period studied are made in the romantic comedy genre. However, the study found that directors who are involved in making art films haven't shifted to entertaining themes even though there is a higher demand for those. The interviewees responded that this is solely because of their passion towards such themes. This leads to the inference that in terms of quantity itself, films with entertaining themes and genres are higher. But this quantity has remained static and hasn't increased because there is no shift from art themes to entertaining themes.

4.4 The Effect of Communism

Although Laos has adopted some open-market measures and made way for liberalization in some aspects (which will be discussed in the following section), it remains a communist country till date. The communist government of Laos has had absolute control on all media platforms in the time period examined. In tandem with the Socialist Media Theory, the Lao government has a stronghold on the content of films. The communist nature of the government plays an imperative role in the political economy of the film industry through the aspect of censorship.

4.4.1 The Censorship Process:

Every film has to go through a two-step approval process by the Department of Cinema, which is a wing of the Ministry of Information, Culture and Tourism. The first step is to get a

shooting permit. Under this step, the director is required to submit the script to the Department of Cinema. A fee of \$100 is charged for the same. After reviewing the script, the Department gives inputs and suggests changes. Lines and even scenes can be asked to be changed or cut out entirely. If the changes suggested are minor, the Department sends the feedback through a letter. In the case of major disagreements, a meeting is set up with the director/filmmaking team. A script can be entirely rejected as well. Once the script is approved, the shooting permit is given. The second step of the process takes place after the completion of shooting. The film is screened for the Department for a final review before the commercial release. If the Department approves, the film gets the screening permit. The film is then allowed to be screened in theatres and festivals in the country.

4.4.2 Censored Content:

The consensus among the respondents was that the censorship on film content is quite strict. Following is a list of things that most commonly get censored.

One aspect that is absolutely not allowed to be included in films is political commentary. As the Soviet Media Theory states, the government is not to be criticized in any way or form. This eliminates subjects like social injustice from being explored because that would indicate that the government is not doing its job. The perfect example for this is the film *At The Horizon* by Anysay Keola. The film is about a poor man who is trying to avenge the murder of his family by a rich man. According to the director's vision, the rich man kills the poor man as well at the end and gets away without facing any consequences. This was the original ending of the film. This ending pointed towards the injustice towards the poor because of their powerlessness. The Department of Cinema rejected this ending because it was a political comment on the justice

system in the country. Finally, an alternate ending was made where the murderer is convicted by the police. Only the revised version was allowed to be screened in Laos.

The Department is also very strict about the way Lao culture is depicted. In general, the country and its people are not allowed to be portrayed in negative light. Scenes with explicit violence are not allowed. This rule applies to the extent that not even a gun is allowed to be shown in a scene. Illegal activities like prostitution, sex trafficking and drug trafficking are not to be represented. Cultural representation through clothing, especially, is thoroughly scrutinized. Films are encouraged to show people wearing traditional Lao clothing. Revealing clothing is disapproved of. Minor things like men wearing earrings is also not allowed because it represents the bigger issue of adoption of western culture and loss of Lao culture. The misrepresentation of Lao identity is also not permitted. For example, a Lao character is not allowed to be played by a foreign actor. The Department is also quite conservative about subjects related to sexuality. Scenes with any kind of sexual content are not allowed. Homosexuality is not allowed to be portrayed explicitly.

This is not an exhaustive list of restricted subjects. Interestingly, a list of all the off-limits subjects does not exist. Although the Department does have a set of regulations of the things that are not allowed, the list is not specific. The regulations are vague and are left largely to individual interpretation. For example, as mentioned before, Lao people or their culture is not allowed to be shown in negative light. But the term “negative light” is not defined. Activities that would be considered “negative” are not specified. Ultimately, it is at the discretion of the authorities at the Department of Cinema whether a scene gets censored or not. Although this is a disadvantage for filmmakers, they also manage to play it to their advantage. Not having a definite list of restricted content means that there is room for negotiation. It was found that the

Department is open to consideration of previously censored scenes if a credible justification is provided for the inclusion of the scene. A case in point is that of the film *At The Horizon*. Before the release of this film, censorship was at its peak in Laos. Because this was his thesis film, the director was granted special permission for shooting. But the director had to adhere to the condition that the film would be screened solely for his thesis advisor at his university in Australia. The film has multiple scenes with depictions of violence. Violence was strictly prohibited according to the regulations by the Department of Cinema. But since the filmmaker was able to convince the Department that the film was not trying to incite violence, the two parties came to a compromise. The violent scenes were allowed, but the guns and the blood were to be blurred out. Finally, the film was even allowed to be screened in theatres in Laos. Another example of such compromise is of clothing in films. In all of Mattie Do's films, the women are seen wearing Western clothing. The Department was initially apprehensive about the non-traditional clothing. But when the director justified her stance that the clothing reflects the realistic way of life, it was allowed. Another example that clearly shows this room for negotiation is the film *Noy – Above It All*. This film can be considered as landmark one because not only did it deal with the issue of ethnic minorities, but it also portrayed a gay character. As mentioned before, homosexuality is not allowed to be shown explicitly in films. But by engaging in continuous, back-and-forth conversation with the Department, the director was able to convince the Department to allow the portrayal of this character. The two parties reached a compromise that the sexual orientation of the man could be explored, but love story between the man and his male partner was not allowed to be the focus of the film. Sexual scenes between the two were not allowed either. 6 out of the 7 of respondents opined that this sort of continuous negotiation between the filmmakers and the Department has in fact lead to minor reductions in

ensorship.

4.4.3 Reasons for Strict Censorship:

Clearly, the government is a key player in determining what films choose to portray to the public. The following reasons can be traced for the strict censorship. The first reason is that in general, the government desires to control all media content. It is the very characteristic of a communist government to control output. When it comes to media output, this control becomes even more stringent because media is not just a commercial product but also a medium to spread ideas. The government wants to be in control of the messages that the citizens are receiving. The second reason, more specifically, is the need to preserve the national culture. The government intends for Lao identity to be portrayed only positively. Many of the restricted aspects that are mentioned above point toward the same.

4.4.4 The Effect on Themes:

One result of the strict government censorship is the self-censorship by the filmmakers. To lessen the loss of time as well as the transaction costs of submitting and resubmitting scripts a number of times, filmmakers avoid themes that they suspect will be rejected. Filmmakers thus tend to choose themes that are less “risky”. The self-censorship deters them from choosing heavier themes like poverty, social and economic injustice, war, etc., and induces them to take the easier, less problematic path by choosing light-hearted themes. This influences the genres of films as well because of the intersection between themes and genres. As mentioned before, genres such as romantic comedy, comedy, action and adventure focus on the factor of entertainment. They tend to have light-hearted themes and avoid heavy conflicts. Anysay Keola states that “The self-censorship makes us have less variety of content in the market. Let’s say there are 4 films made in a year. 3 of them will have a light-hearted topic – romantic comedy

topics. Only once in a while, in 2 or 3 years, do you have a drama with social issues, for example.”

The names of the films itself are evidence to the homogeneity of themes, with titles such as *Vientiane in Love*, *From Pakse with Love*, *Really Love*, *Really Love 2* and *Lao Wedding*. All of these films are romantic comedies, with a primary focus on the theme of love. In conclusion, government censorship leads to self-censorship, which in turn leads to a lack of diversity in themes as well genres as a whole.

The second result of the strict censorship is the ambiguity of themes. Filmmakers that want to explore restricted content do so by using metaphors that represent heavier subjects. For example, *At The Horizon* attempts to contrast the social supremacy of the rich against the poor and it does so by portraying the poor character, Lud, as mute. This is a metaphor used by the director to show the lack of voice that the poor have in society. It was found that as long as the restricted theme, especially political commentary, was kept elusive in the films, the Department allowed it to be screened. For example, Mattie Do's *Dearest Sister* comments on the class divide in Laos. When asked about why this was not restricted, she responded, “It's very subtle in the movie. It's not in-your-face obvious. So, the government didn't have a problem with it. They thought people are not going to understand it anyway, it's so subtle. I'm not spelling it out. So, it's okay.”

4.5 The Effect of Economic Liberalization:

When Laos officially became a communist country in 1975, the centrally planned economic approach was adopted. In accordance with the Vietnamese communist model, the government followed the motto “Socialist transformation with socialist construction”. When the

communist movement started to deteriorate all over the world in the 1980s, many communist governments turned to free market policies in the name of reform. Laos adapted by introducing the New Economic Mechanism (NEM) in 1986, which was the beginning of a movement towards a market economy. The general aim of the reform was to establish open market policies (Phimphanthavong, 2012). The NEM allowed foreign investment in the country, which has had a significant effect on the film industry. The birth of the film industry itself can be attributed to this factor. The making of the first Lao commercial film *Sabaidee Luang Prabang* was possible only because it was a co-production with Thailand. The larger sum of investment was made by the Thai company Sparta Films. As mentioned earlier, one of the reasons for the non-existence of the industry before 2008 was simply the lack of funding. This leads us to the conclusion that without this foreign investment, the first film would have likely not been made at the time. In the following years, some more co-productions have taken place with other Asian countries such as Singapore, Thailand, Japan, China and Philippines. Laos being a part of the ASEAN Economic Community (AEC) has definitely played a role in enabling some of these co-productions. According to the film directors interviewed, more co-productions in the future are the best way forward for the industry. Not only will they give the films financial backing, but they will also boost consumption as they will be screened in more countries.

Being a part of ASEAN, in itself, has helped the industry in other ways as well. For one, it allows them easy entry into film festivals of other ASEAN countries, which gives them exposure as well as recognition. They get to meet other South-East Asian filmmakers which could potentially lead to collaborations in the future. The Luang Prabang Film Festival is in fact the only film festival in the world which is dedicated to South-East Asian films. Hosting this event gives Lao filmmakers a big opportunity to find collaborations. Another benefit of

economic liberalization is that it has also allowed Lao filmmakers to rent filmmaking equipment from Thai companies. This in turn has led to the better production quality.

4.5.1 The Effect on Themes:

Economic liberalization has had a positive effect on the production of films. Although it has led to bigger budgets because of co-productions and integration into the international film community, the effect of this on themes is still minimal. The market transition has not led to the decline of communist control like it did in Eastern European countries. The content of the films is still controlled by the government, as mentioned in the previous section. This finding is congruent with Robert Gilpin's theory that even though the market economy approach is taking precedence, the State has ultimate power over economic consequences.

Chapter Five

Conclusion and Recommendations

The primary question that this dissertation attempted to answer was “What is the effect of the current political economy of the Lao film industry on the themes in Lao films?” To address this, first, the Lao film industry was analysed by studying the factors that affect filmmaking in the country. In doing this, the political economy approach was taken. The five factors that most importantly contributed to the current structure of political economy were identified as budget constraints, distribution channels, consumption patterns, the effect of communism and economic liberalization. Following Janet Wasko’s framework, all these factors were studied by situating them within the wider political, social, economic and historical contexts of the country.

The study takes a holistic approach, as suggested by Golding and Murdock. It starts off with an economic analysis at its forefront. But it follows through with a political analysis. Only the section of “The effect of communism” directly examines the role of the government in the industry. However, the effect of the political and economic systems of the country are reflected in all the sections.

5.1 The Industry Mechanisms

The production side of the industry is analysed through the budget constraints that it faces. Two major conclusions are be drawn from this section. Firstly, it was found that income from filmmaking is not sustainable, which leads filmmakers to spend a large amount of time doing other jobs. Taking up these other jobs is also necessary to finance their film projects. But even when other methods such as sponsorships and co-productions are opted for financing, the filmmaker is required to spend time to find investors or sponsors, negotiate and obtain funding.

Secondly, because of the meagre funds, the director juggles many additional roles such as those of the scriptwriter and the editor. It was also found that the distribution channels in the country are very poor. There are no local distribution companies, which has led to self-distribution by the filmmaker. This means that the filmmaker has to directly approach the exhibitor and negotiate. This adds another task to the already long list of tasks that the director is required to do. Therefore, the director is often the producer and distributor as well. There is insufficient division of labour. Both of these factors result in reduced efficiency and hindered creativity of the filmmaker.

The consumption of local films is extremely low in Laos. According to the representative sample taken, the films reach just about 0.1 percent of the population. The consumption patterns are determined by three primary factors – accessibility, affordability and tastes. The low consumption is a direct effect of low accessibility to film theatres as well as the internet. The high ticket prices combined with the low average income render the Lao films unaffordable to the average consumer. The aspect of taste, on the other hand, has an indirect effect on consumption. It is revealed that the substitution effect comes into play as Lao films are substituted by Thai films, mainly because of their better production quality and the entertaining themes.

The communist government dictates the content of the films through censorship. Although all governments impose censorship measures in some form and quantity, communist governments usually have a stricter censorship policy as the Soviet Media Theory suggests. The study undertook a review of the censorship process as well as the subjects that are subject to state censorship. The result of the same displays that there are two primary reasons for the strict censorship process undertaken by the Lao government. The first reason is quite straightforward –

control. This is a manifestation of the power dynamics that exist, as emphasized by Mosco (1996). The Lao government wants to be in control of the media output in the country because media is not just a commercial product but also a medium to share ideas (Golding and Murdock). More specifically, the government wants to control the way that the national culture is portrayed in order to protect the image of the Lao identity. However, the control is not absolute. The authorities of the Department of Cinema are open to dialogue and discussion with the filmmakers about the content of films. This dialogue has led to a slight relaxation of censorship in the past few years. The evolution of censorship is observed in the films in the time period between 2008 and 2019.

The major contribution of economic liberalization to the film industry is the introduction of foreign investment. This change in the system allowed co-productions with foreign countries, which has now become the most desirable form of funding films. In addition, Laos' entry into ASEAN and AEC has resulted in the intangible benefits of international exposure and recognition as well as prospects of future collaboration.

5.2 The Reflection in Themes:

The study found that the themes in Lao films are extremely limited. Three out of the five factors examined in the previous chapter contribute directly to the lack of variety in the film themes. These are the budget constraint, consumption patterns and the effect of communism. The factors of distribution channels and economic liberalization have indirect effects that are again linked back to the three former factors.

The budget constraints negatively affect the cast size and the filmmaker's ability to rent shooting spaces. These in turn limit the themes that can be explored. As explained by Keenan,

lower investment results in lack of diversity in film themes. Further, it was identified that film themes play a role in determining consumption. Then, the consumption pattern in turn has an effect on film themes. These two aspects reinforce each other. There is high demand, and consequently higher revenue generation for films with entertaining themes. This leads to higher supply of films with such themes. This finding is supported by Wasko's theory that due to the commodification of films, films that don't have the characteristics of a "blockbuster" are marginalized (Wasko, 1982). This leads to a high rate of production of "entertaining" films whereas other types of films are produced significantly less often.

The study aimed to examine the effect of the different factors on the themes of films. But through the investigation, it was found the genres are impacted as well. This finding is important because some themes are inherent to particular genres. This implies that there is a correlation and intersection between genres and themes. Both the budget constraint and the consumption patterns have a direct effect on the film genres. The budget constraint leads to the elimination of genres that need visual effects such as action, fantasy, science fiction and animation. This eliminates some themes as well which are inherent to such genres.

The consumption patterns, as mentioned earlier, are affected by the audience's preference of Thai films. The analysis reveals that most of the Thai films consumed by the Lao audience have entertaining themes. The high level of consumption of these films implies that the audience prefers entertaining genres over serious ones. Entertaining themes and genres are preferred over the heavier themes of artistic films that the Lao film are moving towards. Hence, themes such as love are explored much more often than themes such as inequality and injustice.

The factor that governs the film themes most powerfully and directly is censorship, which is a product of the political system of communism. The strict state censorship results in self-

ensorship by the filmmakers. This is another reason for the lack of diversity in films. To avoid transaction costs of negotiating with the Department, filmmakers simply limit their film themes to light-hearted and “non-problematic” ones. In the cases where serious and “risky” themes are adopted, the filmmakers make sure to keep such themes subtle and ambiguous.

In conclusion, this dissertation contributes to the existing body of research by taking a political economy approach to conduct a comprehensive analysis of the different facets of the Lao film industry. The film industry is mapped to the wider economic, political and historical situation of the country. The study describes the constraints faced by the industry and the reasons for the same. The slow and gradual evolution of the industry is tracked as well. Further, it is established that current structure of political economy is reflected in the film content. The most important conclusion that the study makes is that there is a leaning towards certain themes of genres of films, whereas other themes and genres are marginalized. The different constraints explored contribute to this lack of diversity in content.

5.3 Recommendations:

The most evident limitation of the Lao film industry is the massive budget constraint that it faces. There is an abundance of talent in the country, but opportunities are not able to be explored because of the lack of funding. This is the major cause for the stunted growth of the industry. The most feasible and efficient way in which the industry can be expanded is through an increase in co-productions with other countries. Foreign investment in the industry through co-productions will allow the necessary funds to be funnelled into the country, while mutually benefitting both the partner countries. Collaborations with foreign countries will also enable a

wider reach of Lao films in the international community. The growth of the industry can also be boosted by establishing a formal association of filmmakers and other industry professionals. This would enable the group to collectively take necessary actions such as making appeals to the government. One such appeal that the filmmakers can make is for government subsidies. It is understandable that the government is focused on allocating funds to more pressing issues of development such as education, healthcare and physical infrastructure. But as suggested by the Modernization Theory and the Diffusion of Innovation Theory, cinema has the power to mobilize the masses and bring about social change in the long term, especially in developing countries. Hence, such long-run developmental benefits that the film industry can contribute to the country as a whole must not be ignored by the government.

Finally, in order to increase the consumption level of Lao films, the distribution channels must be improved. Increased access to the internet and improvement of the digital payment system in the country can lead to more effective digital distribution, which will then lead to higher consumption. Construction of movie theatres in different cities will also lead to the same result. But the option that has the potential to make the greatest impact on consumption is distribution through the medium of television. As there is already a wide usage of television across the country, broadcast of Lao films on television will allow a wider viewership. The easier accessibility to Lao films can lead to a shift from Thai films to Lao films.

All of these steps to expand the film industry can eventually lead to an increased diversity in film themes.

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Appendix 1

Interview Questionnaire

Part 1 - Introduction

1. Tell me about yourself and your journey with films.
2. Tell me about (insert production company name).
3. Have you participated in Vientiane International Film Festival (VIFF) or Luang Prabang Film Festival (LPFF)?

Part 2 – General questions about the Lao Film Industry

4. How many Lao films are made every year?
5. How many film directors and production houses now exist in Laos?
6. What is the process of distribution of the films?
7. Since when are short films being produced in Laos?
8. Where are the short films screened?
9. What is the Lao Filmmaker Fund?
10. What is the Association of Lao Film Professionals?
11. How do Lao filmmakers deal with competition from the Thai?
12. What role has the Vientiane International Film Festival (VIFF) and Luang Prabang Film Festival (LPFF) played in the field of cinema?
13. I believe the new wave of cinema started in 2008 with the making of Good Morning Luang Prabang. Why did it take so long for a private film to be made? What was the process for this?
14. Overall, how is the film industry changing presently?

Part 3 – Questions about Funding

15. How are funds gathered for the production of films?
16. How do the financial constraints hinder the production process?
17. How much income does filmmaking generate?
18. Do you think the financial constraints have an effect on the story of the film?

Part 4 – Questions about Consumption

19. What percentage of people does this new wave of cinema reach?
20. What classes of people do these films reach?
21. How has the audience reacted to the new wave of cinema that has begun in Laos?
22. How many people watch films produced by (insert production company name)? How has the audience response been?

Part 5 – Questions about Censorship

23. What is the process of approval of script by the Department of Cinema?
24. Do the scripts of the short films need to be approved by the Department of Cinema as well?
25. What is the reason for strict governmental regulations on films in Laos?
26. How do these regulations reflect in the themes of films?
27. Give me some examples of the scenes/subjects that the government censors in films.
28. Do you think the censorship is stricter now or more relaxed?
29. What do you think has led to relaxation of censorship in the recent times?
30. On a scale of 1-10, how far has the censorship in films been relaxed since 2008?
31. How do you manage to circumvent the state's censorship?

Part 6 – Questions about Economic Liberalization

32. What effect, according to you, has communism had on Lao cinema?
33. How has economic liberalization affected Lao films? Has it had an effect on the subjects explored?
34. Do you think being a part of ASEAN has had an effect on the film industry?

Part 7 – Questions about themes in films

35. What were the subjects explored in Lao cinema before 1975? What were the subjects explored in Lao cinema after 1975?
36. How are the films in the new wave different from the films produced previously?
37. What themes are Lao films now moving towards? How are they different from pre-2008 films?
38. Are government sponsored films still being produced? If yes, how are the themes of those different from privately produced film?
39. What kind of themes would you want in your films if the censorship was further relaxed?
40. What kind of creative liberties would you wish to take in the absence of strict censorship?
41. What kind of themes would you like to explore further? What new themes would you want the Lao filmmaking community as a whole to explore in cinema further?

Appendix 2

List of Interviewees

1. Anysay Keola – Film director, co-founder of Lao New Wave Cinema Productions
2. Athidxay Boundaoheang – Co-founder of Vientiane International Film Festival
3. Gabriel Kuperman – Founder of Luang Prabang Film Festival
4. Houmphanh Phahongchanh – Film director, founder and director of Lao Culture Media
5. Mattie Do – Film Director
6. Sean Chadwell – Executive Director of Luang Prabang Film Festival
7. Vannaphone Sitthirath – Film producer, co-founder of Lao New Wave Cinema Productions

Appendix 3

Sample of Films

| Name of Film | Name of Production Company | Source |
|---------------------------|---------------------------------|-------------------------------------|
| 1. At the Horizon | Lao New Wave Cinema Productions | Vimeo |
| 2. Vientiane In Love | Lao New Wave Cinema Productions | Vimeo |
| 3. Noy - Above it All | Lao New Wave Cinema Productions | Vimeo |
| 4. Chanthaly | Lao Art Media | YouTube |
| 5. Dearest Sister | Lao Art Media | Obtained directly from the director |
| 6. The Long Walk | Aurora Media Holdings | Obtained directly from the director |
| 7. From Pakse with Love | Lao Art Media, Sparta Films | YouTube |
| 8. Wanted to be a Soldier | Department of Cinema | YouTube |
| 9. Really Love | Kheoheng Productions | YouTube |
| 10. Really Love 2 | Kheoheng Productions | YouTube |