



Reality and prospects of the film industry in Algeria: A Comparative Study"

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Abstract:

This study presents an assessment of the film industry in Algeria as one of the most important cultural industries. It examines annual film production, financing and distribution, and cinema attendance, and compares them with statistical indicators from Egypt. It also highlights the challenges facing the Algerian film industry and its future prospects.

By comparing the statistics of the film industries in Egypt and Algeria, we find a great similarity in production and the number of cinemas. However, Egypt has a large audience base for cinematic films, and has workers in the artistic sector in general, and thus achieves profits through the ticket office, unlike Algeria, although Algerian films win awards every time they participate in international festivals.

Keywords: *Film industry, Algerian films, seventh art, creativity, Arab cinema.*

I. INTRODUCTION

The economics of cinema has emerged as one of the most important and recent areas of study in the field of cinema. This is affirmed by the French writer Pierre Gras in his book "L'économie du cinéma" (The Economy of Cinema), where he argues that economic figures surpass and overshadow the aesthetic inclinations of cinema. The film industry is highlighted as a primary concern involving calculations, budgets, technologies, equipment, facilities and the various negotiations that take place between economic actors and filmmakers, as well as cinemas and other elements of the cinematic economic chain.

The economics of cinema goes beyond the artistic and technical concept of cinema and moves towards profit-oriented economic trends. It has become one of the most important forms of soft economy, relied upon to generate revenues and contribute to local production and employment rates.

In terms of film revenues, the film industry in the United States and Canada continues to dominate the list of box office revenues in 2019, with a total of \$11.4 billion. This is followed by China with \$1.3 billion and Japan with \$8.4 billion. South Korea, the United Kingdom, France and India also appear on the list, with revenues ranging from \$1.6 billion to \$2 billion (Bouzifi, 2020, p.148).

As a result, cinema has become an important player in the economies of countries that prioritise this industry, not only as a source of national income, but also in terms of providing employment opportunities. In the United States, for example, the film and television industry employed around 8.6 million people in 2018, generating wages estimated at around \$100 billion. In addition, this industry paid \$44 billion in wages to more than 817,000 local businesses, while also contributing to the expansion of the tax base, generating \$29.4 billion in public revenues from sales and government taxes (Bouzifi, 2020, p.149).

At the local level, Algerian cinema differs from any other experience in the Arab world in terms of its birth, aims and development. Although it started relatively late in the historical timeline compared to the cinematic experiences of Egypt, Syria, Lebanon and Iraq (Al-Kassan, 1982, p.215).

It has always been a model. The first Algerian film was made during the French colonial period, when the Lumière brothers were commissioned to document the cities, nature and people of Algeria. But the real history of Algerian cinema began in the heart of the war of liberation. Algerian cinema was born with a solid foundation and developed with deliberate evolutionary steps that allowed it to reach international standards and raise Arab cinema to a global level (Al-Kassan, 1982, p.215).

In addition to the social and cultural importance of cinema, particularly in terms of preserving memory and cultural heritage, Algeria has recently recognised the economic importance of this sensitive sector. The question therefore arises: What is the current state of the Algerian film industry?

II. Methods and Materials:

To answer this question, we will focus on the key economic indicators of the sector, including the volume of film production, financing and distribution, the number of cinemas and screens, and the share of employment in the sector. The study also discusses the future prospects of the Algerian film industry.

Referring to previous studies dealing with Algerian cinema, they largely focus on the historical stages of the film industry in Algeria, such as the study by (Barda and Boukaddam, 2019). This study extensively traces the historical stages of Algerian cinema, especially during the liberation and post-independence periods, and provides a comprehensive inventory of films produced in Algeria by mentioning their titles and production dates. Another study by (Bouhaweli, 2022) not only examines the history of Algerian cinema, but also focuses on the laws related to the film sector issued in 2021, including Presidential Decree No. 21-412 of 25 October 2021 on the establishment of the National Centre for the Cinematographic Industry. The study also refers to the economic importance of

In addition, a study by (Bouzefti, 2020) highlights the importance of cinema in the economies of major countries around the world, particularly the United States, and the impact of the COVID-19 pandemic. A study closely related to our research is that by Qadem (2021), which focuses on clarifying the structure of the film economy and various concepts related to the cinema economy, such as financing.

The importance of our study lies in its economic-statistical aspect, which is different from previous studies. It focuses on the economic indicators of Algerian cinema (film production volume, financing, distribution, employment share), analyses them and compares them with a prominent model of Arab cinema, namely Egyptian cinema.

III. Results and discussion

3.1. Film production

3.1.1. The producing entities

Film production in Algeria is carried out by various bodies. There are three main institutions operating in the Algerian cinema sector, all of which are public institutions with administrative characteristics: the Algerian Centre for Cinematographic Photography, the National Centre for Cinema Development and the National Centre for Cinema, Audiovisual and Visual Arts.

Statistics show the existence of 152 active cinematographic production institutions, divided between public and private bodies (8 public and 144 private). These institutions specialise in the production of different types of films, including narrative films, short films and documentaries.

Compared to Egypt, for example, Algeria still lags behind in terms of companies specialised in the cinematographic industry. Currently, the number of companies operating in the sector is estimated at no more than 400 (ECES, 2000,p.12)

Table (1) :Distribution of Cinematographic Production Institutions in Algeria

Number of Institutions	Public	Private	Total
Feature Films	07	79	86
Short Films	01	30	31
Documentary Films	00	35	35
Total	08	144	152

Source: Personal compilation based on (Dabi, Drouiche& Guedi, 2021)

According to the previous table, there are 152 institutions active in film production in Algeria, the majority of which are private (144 private institutions compared to eight public institutions). There is also a trend towards narrative films, with 86 institutions specialising in this type of production, of which seven are public and 79 private. This is followed by institutions producing documentaries (25 private institutions only) and then short films (31 institutions, 30 private and one public).

"Given the financial withdrawal of public institutions, filmmakers and screenwriters have become self-reliant and, for many, have become independent producers". (Benziane,2001 ,p.87)

3.1.2. Funding volume

As part of the state's support for the cinema sector, a National Fund for the Development of the Art and Cinema Industry and the Promotion of Art and Literature was established within the Ministry of Culture and the Arts, in accordance with Executive Decree 15-339 of 28 December 2015. This fund covers expenditure related to:

- State subsidies for film production, distribution, exploitation and equipment.

- State subsidies for the promotion and development of art and literature.
- Allocations to institutions under the supervision of the Minister of Culture for expenses related to their usual operations.

Table (02) : Average support budget per film production in million DZD

	2014	2015	2016	2017	2018	2019	2020
Feature Films	21.08	21.57	52.85	53.43	25.32	35.71	20.76
Short Films	0	2.50	3.50	09.22	5.93	3.4	0.75
Documentary Films	9.25	7	5.63	6.60	8..90	14.73	11.67
Total	31.33	31.07	61.98	69.25	40.15	53.84	33.18

Source: Personal compilation based on (Dabi, Drouiche& Guedi, 2021)

Based on the previous table, it appears that the financial support provided by the government for film production is very low compared to the high costs involved in the film industry. It is mainly directed towards narrative films, reflecting the interest of production institutions in this genre, as mentioned above.

Compared to Egypt, film production funding remains very weak. The volume of investment in film production in 2014 was estimated at around \$28 million.

In the same year, Algerian state support for film production was estimated at 31.33 million Algerian dinars. The low level of state funding for cinema can be attributed to the low percentage of funding allocated to the cultural sector as a whole, as shown in the table below:

Table (03): Evolution of the percentage of the budget allocated to culture 2003-2020

Years	Percentage	Years	Percentage	Years	Percentage
2003	0.61	2009	1.11	2015	0.92
2004	0.58	2010	0.84	2016	0.40
2005	0.29	2011	1.29	2017	0.35
2006	0.42	2012	0.53	2018	0.33
2007	0.95	2013	/	2019	0.31
2008	0.57	2014	0.54	2020	0.30

Source: Personal compilation based on (Dabi, Drouiche& Guedi, 2021) (Kessab & Benslimane, 2013)

From the previous table, we can see a decrease in the percentage of the budget allocated to the cultural sector in Algeria. There is a slight increase in the percentage, around 0.01% of the general state budget, in years that witnessed cultural events such as Algiers as Arab Capital of Culture in 2007, the PANAFA festival in 2009, Tlemcen as Capital of Islamic Culture in 2011, the 50th anniversary of independence in 2012 and Constantine as Capital of Arab Culture in 2015.

The percentage of funding has decreased, especially since 2015, when the state adopted austerity measures due to the fall in oil prices. State spending on the cultural sector has remained relatively stable at around 0.3% of the general state budget since 2017.

Most of the budget allocated to the cultural sector is focused on preparatory processes, with heritage preservation, public readings and cultural activities receiving the majority of funding, especially in 2018. From 2019 onwards, there will be an increasing focus on film distribution.

Funding is the basis of film production, so it is necessary to diversify sources of funding. In this regard, the Algerian Association of Film Producers recommended the involvement of other sources of film financing, such as television channels and banks. Funding is directly related to the scale of production.

3.1.3 Size of Cinematic Production

From the table we can see that state-supported film production has developed significantly. There were 38 films registered in 2019 and 19 films in 2020, compared to previous years when film production was scarce, especially in 2014 when only eight films were produced.

It seems that narrative films are of great interest to both producers and screenwriters, as film production in Algeria is mainly focused on this genre.

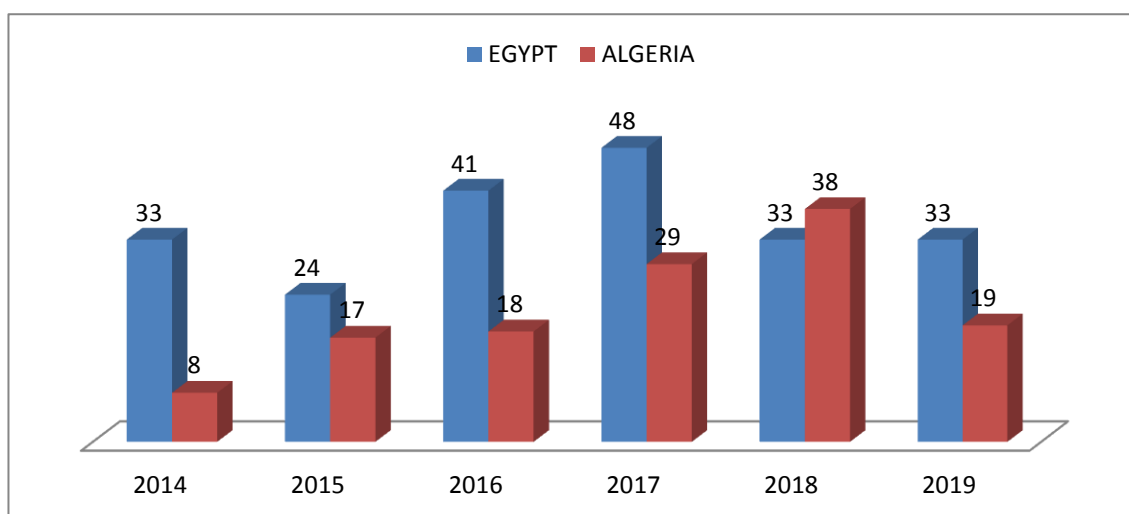
Comparing Algerian film production with neighbouring Arab countries, such as Egypt, we find slight variations in favour of Egypt, as shown in Figure 02 below. For example, Egypt produced 33 films in both 2018 and 2019 according to ECES, 2000, while Algeria recorded 38 films in 2018 and 19 films in 2019.

Table (04): Size of State-Supported Cinematic Production

	2014	2015	2016	2017	2018	2019	2020
Feature Films	06	11	12	15	11	17	14
Short Films	00	1	2	09	07	10	2
Documentary Films	02	5	4	05	05	11	03
Total	08	17	18	29	23	38	19

Source: Personal compilation based on (Dabi, Drouiche& Guedi, 2021)

Figure (01): shows the volume of film production in Algeria and Egypt from 2014 to 2019.



Source: Personal compilation based on previous data.

Algerian production, which ranges from two to four feature films per year, seems like a drop in the ocean compared to the 200 films that Algeria possesses. Officials and filmmakers are well aware of this, but it seems difficult to launch a supported and planned production over several years. Despite its numerical shortage, Algerian cinema is characterised by its quality, as it rarely goes a year without receiving an award or nomination at international events and festivals.

Compared to the global film production industry, Arab countries in general still have a long way to go in terms of establishing cinema as a thriving industry. India, for example, produced 1,813 films in 2018.

For example, in 2017, film production in France reached 300 films, 660 in the United States, 874 in China, 285 in England, 233 in Germany and 176 in Mexico According to ECES,

among other countries known for their prolific production, as opposed to only 29 films in Algeria and 33 films in Egypt.

In the case of Algeria, it is difficult to discuss the revenues or financial returns that the country derives from this industry, given the lack of information, limited film production and difficult distribution conditions in the film sector. In contrast, we note that cinema revenues in Egypt reached 1,157 million Egyptian pounds in 2019 as a result of ticket price increases.

3.2.The distribution of films in Algeria is characterised by two factors:

The nationalisation of cinemas and the monopoly of the distribution network (Al-Kassan,1982,187) . In recent years, however, private companies have entered the field of film distribution, giving the sector an additional boost. Nevertheless, important distributors such as "Tassili", "Sirta" and "Sura Li-Intaj" do not receive sufficient support to revitalise the very limited number of cinemas and consolidate film culture among citizens.

The distribution of film products, as shown in the table below, appears to be very limited, especially in 2019 and 2020, and non-existent in 2015, 2016, 2017 and 2018.

Table (05): illustrates cinematic distribution operations over the years.

Years	2014	2015	2016	2017	2018	2019	2020
Number of Distribution Operations	28	00	00	00	00	02	02

Source: Personal compilation based on (Dabi, Drouiche& Guedi, 2021)

One of the main obstacles faced by film distributors in Algeria is the customs duties imposed on imported film products. These products are subject to the same tariffs as other consumer goods. In addition, Algerian banks have been slow to facilitate import procedures for film products. Distributors are concerned about the possibility of not generating revenues from films due to the lack of cinemas and low ticket prices. There has also been a recent decline in cinema attendance.

3.2.1. Cinemas

After independence, Algeria inherited several cultural infrastructures, including the Algerian National Theatre (formerly known as the Algerian Opera), the Bardo Museum and some 458 cinemas. Many of these infrastructures, especially the cinemas, have deteriorated. In addition, little cultural infrastructure has been built since independence. In general, the country still has good technical and cultural infrastructure compared to other countries in the region. However, maintenance (Hg Furjani, 2018,p.15) and management problems have arisen (Dabi, Drouiche& Guedi, 2021,p.30)

Statistics show that there are 326 cinemas in Algeria, a number that is close to the number of cinemas in Egypt, which had 320 cinemas in 2018. Responsibility for cinemas in Algeria is divided between different bodies. Municipal People's Councils oversee 238 cinemas, representing 73% of the total number of cinemas. The Ministry of Culture supervises 80 cinemas, representing 25% of the total, while the private sector owns only 2% of the cinemas, distributed as follows: one cinema in Biskra, one in Guelma, two in Skikda and four in Mostaganem.

Table 06: Distribution of cinemas by regulator

Theaters	Number of Cinemas	Percentage
Municipal Council	238	73%
Ministry of Culture	80	25%
Private Sector	08	02%
Total	326	100%

Source: Personal compilation based on (Dabi, Drouiche& Guedi, 2021)

It should be noted that local authorities (municipal councils) have been managing the majority of cinemas since 1982, when the law was passed giving municipalities the power to manage cinemas. Entrusting cinemas to non-specialised art and culture entities has led to their diversion and association with activities unrelated to cinema. Despite recent efforts by the Ministry of Culture to reclaim them and give their management to cultural institutions, with the adoption of new laws regulating management methods, nothing has changed so far.

Out of a total of 326 cinemas in Algeria, only 76 cinemas are open, i.e. 30%, while 250 cinemas are closed, i.e. more than 76%. It should be noted that the open screens are concentrated in large cities such as the capital, which has 11 open screens, Oran (05 open screens) and Blida (06 open screens). Of the 76 open screens, only 47 are functioning (Hg Furjani, 2018). The seventh art (cinema) remains exclusive to the large northern cities, while the citizens of the interior hear about films, actors and directors without seeing them.

3.2.2. screens

As far as cinemas are concerned, there are around 30 screens in Algeria (Hg Furjani, 2018) It is therefore impossible to discuss the number of cinemas in Algeria in comparison with other countries. For example, statistics show that Egypt had 320 movie screens in 2018 (ECES,2020,p.08)

3.2.3. Cinema audience

In Algeria, we moved from talking about the cinema law, to the film industries law, which requires the existence of the commodity “films” and the markets associated with it, these conditions does not exist in Algeria.

Statistics show a 10% drop in cinema attendance in recent years compared to 2005 and 2006. The average attendance was 400 people per day and reached 800 people per day when the film shown was domestically produced Thus, local and foreign film production remains unknown to local audiences. Regarding Egypt, statistics show that the number of tickets sold exceeded 14 million tickets in 2019.

3.3. Labor Share

The share of labor in the cultural sector in Algeria is less than 0.01% of the total workforce in 2020. Therefore, it is not possible to discuss the cinema operation sector in Algeria. The number of cinematographers is very low and most of them have emigrated. In Egypt, on the other hand, the cinema industry is a labour-intensive sector, employing at least half a million workers, of whom 40% are permanent and 60% are variable, linked to the film industry in all its phases and specialities. A significant proportion of this workforce is in the informal sector. One of the main characteristics of this industry is that it requires specialised university graduates, making it a sector that provides employment opportunities for university graduates, who suffer from higher unemployment rates (ECES,2020,p.13).

3.4. Prospects for the Algerian film industry

Algeria aims to promote the film industry sector by:

- Gradually reducing dependence on state financial support, mainly through the development of cinemas and screens,
- Support for young producers, particularly in the interior regions, and assistance with the distribution of film productions in these areas.
- Reducing taxes and customs duties on the import of cinema equipment and foreign films.
- Facilitate the granting and use of filming licences to allow foreign producers to film in the country.
- Increase the number of specialised drama and art institutes and support various disciplines related to the film industry.
- Provide financial support to artists by setting a minimum wage for film actors and introducing professional cards for artists.
- Encourage co-production projects.
- Improve the management of cinemas and focus on digital distribution through digital platforms.

IV. Conclusion:

Although many people classify the film industry as a cultural or entertainment activity, it is in fact a complete industry, like other heavy industries, based on a series of interrelated and complementary production activities, from script writing and acting to directing, shooting, distribution and reaching the final consumer - the cinema audience. Major countries have recognised the economic importance of this soft industry and have provided significant support. As far as Algeria is concerned, the cinema industry is one of the various avenues of economic growth on which Algeria intends to rely in order to diversify its non-oil sources of income.

In addition to the clear economic benefits of investing in this sector, it is important to remember that cinema, as an instrument of soft power, is also a means of commemorating Algeria's history, educating the younger generation and transmitting cultural heritage. It should also be noted that the film industry is not the sole responsibility of the Ministry of Culture and the Arts, but should be a collaborative and multi-sectoral effort to achieve the real objectives of the cinema sector.

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