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Small nations and the global dispersal of film production: A comparative analysis of the film industries in New Zealand and the United Arab Emirates

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Abstract

The United Arab Emirates (UAE) is a small country that boasts a large oil reserve, but has virtually no history of film production. The growing desire to see local stories on the big screen, coupled with the need to diversify an economy which heavily relies on oil extraction, has pushed local government to invest increasing resources into the film industry. Government-funded production company Image Nation, for example, was recently endowed with a US$1 billion capital to establish partnerships with international studios such as Hyde Park Entertainment and Warner Bros. In 2011, Image Nation co-produced successful blockbusters such as *The Help* (2011) and *The Best Exotic Marigold Hotel* (2011). More recently, the UAE have hosted major film productions such as *Mission: Impossible – Ghost Protocol* (2011) and *Star Wars VII* (2014). The profits from these global successes have been used to subsidize local productions and training programs for young Emirati filmmakers. Image Nation is attempting to profit from the globalization of film production, thus following in the footsteps of other small nations such as New Zealand, where the film sector now accounts for a significant percentage of the country's GDP. The popularity of filmmakers such as Peter Jackson has attracted international film productions which in turn contributes to the upskilling of local talent and the development of film infrastructures. The case studies examined in this article compare different strategies that emerging satellite production centers deploy to engage with the global dispersal of film production. This analysis will suggest that while small nations can profit culturally and economically from the internationalization of media production, they still operate within a media system characterized by a structural power imbalance.

This article examines the way in which the film industries of small nations engage and participate in the differentiation and globalization of cultural labour. In particular, it will compare the film industries of two small countries, New Zealand and the UAE, which have developed different, but converging strategies to profit from the global dispersal of film production, in both cultural and

economic terms. New Zealand has become an established satellite center of film production since the mid-1990s when it hosted major television and film productions such as *Hercules: The Legendary Journeys* (1995–1999), *Xena the Warrior Princess* (1995–2001) and Peter Jackson's *The Lord of the Rings* trilogy (2001–2003). The UAE, by contrast, have started targeting the film industry as a key economic sector only since the late 2000s, hosting major film productions such as *Mission: Impossible – Ghost Protocol* 2011) and *Star Wars VII* (2014). As a small nation trying to diversify its economy by investing in the sustainability of its creative industries, the UAE explicitly regards the New Zealand film industry as a source of inspiration in terms of economic and cultural development. According to Michael Garin, the CEO of Image Nation, the main film production company in the UAE, "it was Peter Jackson who created a critical mass of talent in New Zealand and that's exactly what we are trying to do so that we can have a viable industry here" (Garin cited in Williams, 2012, para. 36). While attempting to emulate the international success of the New Zealand film industry, the UAE have developed their own policies and business models to engage with the globalization of film production.

The contemporary decentralization of the value chain through the split between film pre-production, production and post-production, along with the internationalization of film funding and distribution, has led to what Miller et al. call a "new international division of cultural labour" (2005: 111). Here the traditional binary model that opposed a commercial, free market and industry oriented system (Hollywood), against a culturally informed state-subsidized model typical of European national cinemas has been replaced by 'Global Hollywood', a new order characterized by the increasing, hegemonic participation of Hollywood in other national film industries through economic and cultural forms of engagement (Miller et al., 2005). Global Hollywood has been defined as the cross-pollination of people, places and financing that characterizes the contemporary global dispersal of film production (Goldsmith et al., 2010: 13). In his overview of globalizing business processes, Peter Dicken observes that the increasingly complex geography of production, distribution and consumption is not specific to the film industry as it can also be found in many other consumer products (Dicken, 2007). Global Hollywood is becoming less a place, and more a global space of relationships and flows of capital, places and people; Los Angeles, however, remains the main design center that coordinates the production, marketing and distribution of films at the global level (Goldsmith et al., 2010: 27).

The geographic dispersal of film production has been driven by a number of social, economic and technological factors. Increasing mobility, telecommunications, global business development and expanding markets for film and television mean that today, people, places and companies are more interconnected than ever. Technological innovations such as high-speed data transfers have enabled greater levels of collaboration and control of film production at the global level (Goldsmith et al., 2010). At the same time, local, regional and national governments are increasingly aware of the economic benefits associated with attracting major globally dispersed film productions. This is why places such as Canada, New Zealand, and the Australian Gold Coast have recently implemented film-friendly policies such as tax and producer incentives to attract major, Hollywood productions. As Goldsmith et al. (2010) suggest, in order to understand the global dispersal of film production we need to examine the actions and motivations of the Hollywood majors, as well as the actions and motivations of the places and people that engage with Hollywood—'Local Hollywoods'. The latter term refers to the many satellite production centers which have been established over the last 20 years in correspondence with the globalization of Hollywood

(Goldsmith et al., 2010). Writing about the character of global production networks, political economist Jeffrey Henderson writes that:

> In order to understand the dynamics of development in a given place … we must comprehend how places are being transformed by flows of capital, labour, knowledge, power etc. and how, at the same time, places are transforming those flows as they locate in place specific domains (Henderson et al., 2002: 438).

On the one hand, Henderson's claim draws attention to what has been already identified by Miller, namely the multinational power of contemporary Hollywood which has transformed places towards a global model. On the other hand, however, Henderson also suggests that the "receiving places" channel, refract and transform Global Hollywood, which is still subject to national and subnational jurisdictions. Film studios need to negotiate with local stakeholders in order to take advantage of the assets, energy and creativity specific to these places. Different places have different interests, histories, politics and cultural dynamics. They deploy different, but often converging strategies to profit from their engagement with Hollywood and simultaneously contribute to reshaping the international flows of film production. The story of Global and Local Hollywood can only be grasped through the analysis of local-historical case studies that shed light on the agency of local actors in co-creating globally dispersed productions (Goldsmith et al. 2010: 30).

The comparative case study analysis undertaken here raises a number of significant questions in relation to the globalization of film production:

- What are the different strategies developed by the film industries of small nations to engage with the global media system? How do the different histories, interests and agencies of local stakeholders within each case result in different modes of engagement with Global Hollywood?
- Can countries such as New Zealand and the UAE benefit from the new international division of cultural labour in economic terms while successfully developing a national cinema able to engage both the indigenous population and international audiences?

The analysis of the two case studies will provide a more nuanced understanding of the international, cultural and economic flows that characterize the contemporary media system. It will also contribute to debates about media imperialism by examining the way in which small nations can profit culturally and economically from the internationalization of media production, while operating within a media system characterized by a structural power imbalance.

The majority of the existing literature on Global Hollywood is inscribed within a Marxist tradition that has blended critical political economy and cultural studies (Guback, 1985; Hozic, 2001; Miller et al., 2005; Rhines 1996; Wasko, 2003). These approaches have emphasized Hollywood cultural imperialism and focused on both American corporate domination in terms of capital accumulation and screen trade, and the global dissemination of cultural American products. According to Miller et al., Hollywood reproduces and regulates the New International Division of Cultural Labour through its control over cultural labour markets, international co-production, intellectual property, marketing exhibition and distribution (Miller et al., 2005: 52). Even though, as Miller et al. claim, there is still a considerable imbalance between dominant and emerging centers of media production, it is also possible to argue that the contemporary media system is no longer characterized by unidirectional flows from the metropolitan centers of the global media industries to

the periphery (Thussu, 2006: 105). The case studies examined in this article do not conform to the theoretical framework of media imperialism embraced by scholars like Miller and colleagues. Countries such as New Zealand and the UAE, traditionally deemed to be at the periphery of the global media system, have clearly benefited, culturally and economically, from their engagement with Global Hollywood.

The decision to analyze the film industries of two small nations can be defended on the basis that our contemporary world is characterized by a proliferation of small states. Over half the sovereign states recognized by the United Nations have populations below 5 million, and nearly one third have populations below 1.5 million (United Nations, 2004). The comparative analysis of the movie industry in two small nations such as New Zealand and the UAE will contribute to the theorization of the relationship between small nations and Global Hollywood that has been initiated by scholars such as Hjort and Petrie (Hjort, 2005; Hjort and Petrie, 2008). As Hjort and Petrie point out, the processes of globalization and internationalization have often had a stronger impact on small nations than large ones. Small nations have very limited domestic markets for all locally produced goods and services (including culture) and so have been traditionally forced into a greater dependency on external markets (Hjort and Petrie, 2008). At the same time, many small nations which have recently been established (UAE) or have emerged out of decolonization processes (New Zealand) have a strong interest in forging and maintaining a strong sense of national identity (Leotta, 2011). Hjort and Petrie claim that the tension between these contradictory forces (dependency on external markets and the need to forge a sense of national identity) shape the relationship between small nations and global cinema. This tension is also a recurring theme in the case studies analyzed in this article.

The two main case studies share a number of similarities as well as some significant differences. The first analogy is the comparable size of the two populations. New Zealand is home to 4.5 million people while there are 7 million residents in the UAE. Both countries qualify as small nations according to Hjort and Petrie's definition of small nations (2008). The second analogy is represented by the fact that both nations have historically maintained strong economic ties with Britain. New Zealand is a former British colony and is still part of the commonwealth, while the Trucial States (the political formation that preceded the establishment of the UAE) were for a long time a British protectorate (Heard-Bey, 1996). The third similarity is the fact that both countries have traditionally relied heavily on a strong export-dependent primary economic sector: agriculture and dairy production in New Zealand; hydrocarbon extraction (particularly gas and oil) in the UAE. Both countries have recently embraced the creative industries, particularly tourism and film production, in an attempt to diversify their economy. Finally, both countries have historically been far removed from the main hubs of film production and have generally been considered as being located at the 'periphery' of the global media system.

Nevertheless, the social, cultural and economic profile of the two countries are also profoundly different. While New Zealand has a long democratic tradition, the UAE is formally an authoritarian regime ruled by a few aristocratic families. New Zealand culture and society has been deeply shaped and influenced by its relationship with Western partners, particularly Britain, Australia and the USA, whereas the UAE is an Arab, Muslim country, which despite its political connections to Britain and the USA, maintains an ambiguous, often problematic relation with Western culture and values. The economic wealth of the two countries is also significantly different with the UAE boasting a GDP of US$396,235 million compared to US$81,330 million for New Zealand (International Monetary Fund, 2014). For a long time both countries have been located at the

periphery of the media system. Recently, however, New Zealand, through the work of Peter Jackson and his production companies, has become one of the most prominent centers in global film production. New Zealand represents a small film industry that has appeared to flourish in the New International Division of Cultural Labour. Since the production of *The Lord of the Rings* in the early 2000s, New Zealand's engagement with Hollywood has put the country on the map, engendering a wave of confidence and optimism in local film-making. The UAE, by contrast, is a country with virtually no history of film production or even film culture. The local government has recently set the ambitious task of transforming the country into an international center of film production and it is quickly moving towards that goal.

New Zealand

New Zealand is an island country located in the South Pacific. According to historian James Belich, New Zealand history is marked by three distinct periods (Belich, 2001). The first of these is characterized by the process of colonization initiated by British settlers in the first half of the nineteenth century, which entailed the displacement of the Maori population. The second period, from the late nineteenth century until the 1960s, is characterized by the consolidation of New Zealand identity as an independent Dominion which maintained a privileged relation with Britain, the main importer of New Zealand raw material such as lamb and wool. Up until this era, the colonial umbilical cord that linked the two countries had never been cut, as New Zealand still regarded Britain as its main political, cultural and social reference. The third period of New Zealand history begins in the early 1970s. With the emergence of the EEC, Britain chose to reframe its economic, political and cultural activities within Europe, and as a consequence loosened its ties with former colonies such as New Zealand. New Zealand, in turn, was obliged to find a new position within the global scenario.

New Zealand national cinema, along with the New Zealand film industry, emerged during this last stage of New Zealand history. Even though New Zealand produced a significant number of films during the silent era, the period 1940–1975 was characterized by a virtual absence of film production. The lack of film features made in New Zealand from 1940–1970 contrasts with the crucial role played by cinema, particularly Hollywood, in the formation of a New Zealand culture. In 1945, Gordon Mirams defined New Zealanders as "a nation of film fans" (1945: 5). He calculated that during the 1940s, there was one movie theatre for every 3,000 New Zealanders, compared with one for every 8,700 in the USA. (1945: 6).

The 1970s represented a revival of the local film industry. Critics and intellectuals began to consider cinema as something worthy of serious consideration and several New Zealand universities started to offer film classes (Leotta, 2011: 36). After years of campaigning, a number of New Zealand film-makers signed a petition declaring that the support of the state was an essential precondition for the development of the New Zealand film industry (Martin and Edwards, 1997: 13). In 1977, with Bill Sheat in the chair, the interim Film Commission held a meeting where it sought "to advise the Government on legislation, to establish a permanent commission, and to establish policy guidelines for developing a sound motion picture industry" (Martin and Edwards, 1997: 13). Persuaded by the local and international success of local films such as *Sleeping Dogs* (1977) and *Off the Edge* (1977), the National Government minister for Arts, Recreation and Sport, Alan Highet, introduced a law that established the New Zealand Film Commission (NZFC), declaring that "we need our own stories and our own heroes. We need to hear our own voices"

(Shelton, 2005: 24). In November 1978, the NZFC board met for the first time in Wellington, with the mission of funding and supporting local productions that featured significant New Zealand content. Under the Film Commission Act (1978) this was defined with regard to the films' subject matter and the nationality of both film-makers and investors (Leotta, 2011: 36).

The first half of the 1980s was characterized by a rapid expansion of film production: from two films in 1980, to six in 1982, and fourteen in 1984. The significant increase in the production of features was due to several factors. On the one hand, the establishment of the Film Commission provided local film-makers with an important source of funding, on the other hand, local and international investors discovered loopholes in the New Zealand tax laws which allowed movie production to become a means of obtaining tax relief (Leotta, 2011: 37). The economic focus of the first executive director of the New Zealand Film Commission (NZFC), Don Blakeney (a former accountant), played a critical role in the exploitation of the tax shelter (Shelton, 2005: 25). The tax loopholes engendered mixed reactions, as some in the industry saw them as a serendipitous opportunity to develop the local film production, while others feared an 'Americanization' of the industry caused by ruthless foreign investors intending to exploit the system to make poor quality productions (Jesson, 1984: 19). The tax loopholes were gradually closed in 1984, leading to a temporary decline in the number of features produced in New Zealand during the second half of the decade. However, this brief boost in film production contributed to the development of expertise and infrastructure thus laying the foundation for a stable film industry and preparing for the international successes of the 1990s (Leotta, 2011: 37). During the mid-1980s, the New Zealand economy was characterized by market-led restructuring and neoliberal deregulation, or 'Rogernomics' (a reference to the minister of Finance, Roger Douglas who was responsible for the introduction of these new neoliberal policies). Neoliberalism inevitably impinged upon government financial support for screen production. Although film and television institutions remained largely untouched by the neoliberal agenda before the late 1980s, these policy changes led to a reformulation of NZFC strategies (Dunleavy and Joyce, 2011). The main consequence of Rogernomics for the New Zealand film industry was a shift towards a more business-oriented model, with the NZFC investing in bigger productions that would have the potential to achieve commercial success both at home and overseas. This strategy change eventually led to the production of commercially successful international hits in the early 1990s with films such as *Once Were Warriors* (1993) and *Heavenly Creatures* (1993).

The story of New Zealand's place in global film production began during the mid-1990s when the country became the destination of several major American TV productions such as *Hercules: The Legendary Journeys* (1995–1999) and *Xena: The Warrior Princess* (1995–2001). Similarly, in 1997 the availability of cheap labour and infrastructures, as well as favorable exchange rates, persuaded the executives of Universal to film *The Frighteners* (1997) in Wellington. The successful completion of major productions such as *The Frighteners*, *Hercules* and *Xena* enhanced New Zealand's reputation as a potential film location and paved the way to the making of *The Lord of the Rings* trilogy in the early 2000s. Peter Jackson was a key figure; he was able to lead New Zealand cinema towards greater participation in the international screen industry. *The Lord of the Rings* film series (2001–2003) directed by Jackson, dominated New Zealand's film production sector in the early 2000s and brought about a number of benefits to New Zealand cinema such as the enhancement of the country's film infrastructure; the upskilling of local film crews; and an increase in New Zealand visibility as a destination for both tourists and international film producers.

The 2000s were also characterized by the unprecedented support of the New Zealand government for the creative industries in general and screen production in particular. In 2000, the Labour government launched Film Fund, a NZ$22 million grant aimed at the development of New Zealand domiciled film production (Dunleavy and Joyce, 2011). The main objective of the fund was to facilitate the production of up to five feature films per year and ensure that at least one of them performed well financially. The increased opportunity for New Zealand film-makers paved the way for critical and commercial successes such as *Whale Rider* (2002); *The World's Fastest Indian* (2005) and *Boy* (2010).

In 2003 the government also launched the Large Budget Screen Production Grant which offered a 12.5% tax rebate for projects with budgets over NZ$ 15 million. The grant increased the allure of New Zealand for major international film-producing companies, attracting international films such as *The Chronicles of Narnia* (2005) *Avatar* (2009) and *X-Men Origins: Wolverine* (2009). The grant (which was increased to 20 percent in 2014) has stimulated significant expansion in industry infrastructure, developed specialized post-production facilities and increased the supply of work for a highly skilled local film workforce (Dunleavy and Joyce, 2011). The importance of film and TV production in New Zealand is highlighted by the fact that in 2012 the screen industries' total contribution to GDP was US$2.78 billion or 1.4 percent (while the direct contribution was US$ 1.28 billion or 0.7 percent) thus surpassing a traditionally crucial economic sector such as dairy production (PWC, 2012).

In 2010, however, during the preproduction of *The Hobbit* trilogy (2012–2014) national concerns collided with the global media system (in this case represented by Warner Bros.) over the rights of New Zealand film workers (Dunleavy and Joyce, 2011). A network of international actors unions threatened to boycott the production of *The Hobbit* in a bid to obtain more rights. In retaliation, Peter Jackson and Warner Bros. threatened to move production of the film to countries that offered cheaper labour, better tax incentives and more favorable currency exchange. The dispute was eventually resolved by the government; they suppressed the actors' claims and offered the producers a package of financial incentives in order to keep *The Hobbit* in the country. This episode highlighted the fragility and vulnerability of the New Zealand film production industry. International producers will only be attracted if New Zealand is able to provide cheap labour and alluring financial incentives.

United Arab Emirates

Formed in 1971 by the late Sheik Zayed bin Sultan al Nahyan, the UAE is one of the youngest countries in the world. Until the discovery of oil in the 1930s the region was only populated by small enclaves of fishermen, pearl divers and Bedu nomads. In the first half of the 19th century, local sheikhs signed agreements with the British under which they accepted formal British protection. The sheiks entered the council of the Trucial states controlled by the British who during this period thwarted conflicts between various rulers and protected the federation from Saudi Arabia, which had ambitions to annex the territory (Heard-Bey, 1996). In 1939, Abu Dhabi's Sheikh Shakhbut granted the first oil concession to the Anglo-Iraqi company Petroleum Concessions Limited and the first cargos of crude left Abu Dhabi in 1962. With the British hinting at a military exit from the Gulf in 1971, Abu Dhabi's ruler Sheikh Zayed negotiated with the other sheikhdoms in the Trucial States to create a federation of seven Emirates: the UAE. Shortly after the creation of the UAE, two main business centers emerged: Dubai with a long shipping and

trading history, and the capital Abu Dhabi which boasts one of the largest oil reserves in the world. The UAE benefited from the 1973 oil crisis as the country gained better control over prices. As a result of its moderate position on this matter, the UAE contained the influence of the more militant oil producers, established a good relationship with its Western allies and improved its position in the market. In 2009, the population of the UAE stood at seven million comprising both Emirati citizens (that represent a minority within their own country) and a large community of expatriates.

The oil sector and related activities have historically formed the bulk of UAE's economic activity. While the UAE have a healthy trade surplus overall, the country, and particularly the Emirate of Abu Dhabi, has a large non-oil trade deficit which reached about US$21 billion in 2006 (Abu Dhabi Government, 2008). Economic diversification is a key pillar in the future economic strategies of the UAE, especially its capital, Abu Dhabi. The UAE is currently attempting to follow in the footsteps of countries such as New Zealand and Australia, which have embraced what Potts and Cunningham have defined as the "growth model" approach to the creative industries (2008: 237) [1]. The model explicitly proposes a positive economic relation between growth in the creative industries and growth in the aggregate economy. With this model, it is hoped that the creative industries will become a key growth driver. Potts and Cunningham claim that New Zealand is a perfect example of the 'growth model' as the creative industries have been driving a structural transformation of the country's economy since the mid-1990s (Potts and Cunningham, 2008: 240). During the 1996–2001 period, New Zealand creative industries began to grow at twice the rate of the aggregate economy—thus becoming a major growth driver. The UAE has adopted a growth model of the creative industries since the mid-2000s when the death of the country's founder, Sheik Zayed, led to significant changes in the federal government. The country has identified the creative industries as a key growth area in the Middle East according to the Abu Dhabi government, with publishing, broadcasting, films and advertising expected to grow 25 percent a year in the region (Abu Dhabi Government, 2008). Consequently, the UAE have launched a number of initiatives associated with the development of the cultural and creative industries. Abu Dhabi is already home to elite institutions of higher education such as the Sorbonne and New York University, and it is currently developing world class cultural institutions such as the Louvre Abu Dhabi, the Guggenheim Museum and Sheik Zayed National Museum. Abu Dhabi and the UAE have also set out the ambitious target of becoming a hub for international film production.

As mentioned earlier, the UAE has virtually no history of film production. Movie consumption is also a relatively new phenomenon. While movie theatres have existed in the country since the 1970s to cater for the large community of Southeast Asian migrants, Emirati mainly consumed films at home until the late 1990s when the first multiplexes began opening (Yunis, 2014: 50). Since then, movie-going patterns have radically changed and today there are 220 movie theatres in the country with attendance numbers reaching 10.6 million in 2010 (Yunis and Picherit-Duthler, 2010: 6).

Ali Al Abdul's film *Abr Saabel* (1989) is regarded as the first Emirati feature film, although it never achieved a cinema release (Newbould, 2014). In 2005, *Al Hilm* (A Dream) directed by Hani Al Shaibani gained a limited theatrical release, but it was only in 2010 that a UAE film, *City of Life* directed by US trained director Ali Mostafa, achieved some commercial success. The film, a drama about cultural and ethnic differences in Dubai, was extremely well received by local audiences and quickly transformed Mostafa into a local celebrity. The main push behind the development of a film culture in the UAE has been the heavy involvement of the government in the film industry since the mid-2000s (Yunis, 2014: 56). The government supported the launch of the Dubai International Film

Festival which was soon followed by the creation of the Abu Dhabi International Film Festival. Both festivals have been endowed with adequate financial means to acquire top films and invite prestigious film-makers, and have quickly gained international recognition for the quality of their programs (Yunis and Picherit-Duthler, 2010).

Since the mid-2000s, both Dubai and Abu Dhabi have implemented policies designed to attract international producers to the country. Most of these productions have been only partly shot in the UAE and have mainly used exterior locations (rather than the local film studios or post-production facilities). In 2005, the Dubai Location Approval Services Group (now incorporated by the Dubai Film and TV Commission) was established to facilitate shooting permits. This initiative soon led to the first major Hollywood film being shot in Dubai, *Syriana* (2005), which in turn was followed by over 6,000 productions (Radhakrishnan, 2012). The great majority of the international films shot in Dubai have been Indian or Pakistani productions. Bollywood productions have often used Dubai as a filming location for a number of reasons: Dubai's ability to stand in for a variety of exotic locations such as Las Vegas, Hong Kong or New York; Dubai's geographical proximity to India and Pakistan; the availability of cheap labour and a large number of extras of South East Asian descent; and the possibility of negotiating attractive financial incentives. Hollywood has also benefited from Dubai's film-friendliness as several American productions have recently been shot in the UAE. In 2010, after visiting the city to promote *Star Trek* (2009), the *Mission: Impossible – Ghost Protocol* (2011) producers, J.J. Abrams and Brian Burk, selected Dubai as a film location for their new movie. The producers were attracted by the novelty of the cityscape, particularly Burj Khalifa, the tallest building in the world, which had never appeared in any major international film production. According to director Braid Bird:

> We saw it as a place that had not really been presented that way on film and we could be the first ones to take advantage of it. We always imagined it would be a good place to set a big sequence in the film but getting a cast to actually shoot on the building [Burj Khalifa] and do it as elaborately as we did it was made possible by the government and we jumped at it (Bird cited in Goundry, 2011).

In 2011, the UAE did not have any formal film incentives, but the local authorities were clearly interested in securing a project of *Mission Impossible*'s scale and guaranteed major logistical support. More than 100 Dubai locals staffed the film's support team from at least six different municipal agencies, alongside servicing company Filmworks. Road closures and even location cleanups were arranged as the film's multiple units spent a month in the city. In addition to the logistical support, the film also received a formal, but confidential rebate (Goundry, 2011). The production of *Ghost Protocol* provided Dubai with significant international media exposure, and in 2012 it was followed by a mix of Western TV shows (*Britain's Next Top Model*, *X Factor*, *The Apprentice*) and international films (*The Bourne Legacy* and Indian production *Dabangg 2*) partly shot in the city or its neighboring areas (Radhakrishnan, 2012). While Western and Bollywood productions tend to take advantage of iconic locations such as the desert or Burj Khalifa, many Arabic television serials (*Saraya Al Bait*, *Al Hob Fe Al Arbeen*, *Qabl Al Awan* and *Weash Rajjak*) conceived for pan-Arabic channels, use the city's studios and post-production facilities, which are considered to be among the best in the Middle East.

Abu Dhabi, which in 2009 refused filming permission for the makers of *Sex and the City 2* (2010) due to cultural and political reasons, has been quickly following in the footsteps of neighboring Dubai. According to Noura al Ka'Abi, CEO of Twofour54, Abu Dhabi's media and

entertainment hub, Abu Dhabi and its surroundings "offer a variety of production locations: from the massive sand dunes of the Empty Quarter Desert to remote offshore islands. At the same time Abu Dhabi can double for many Middle Eastern and Asian cities while offering a comfortable and efficient shooting environment" (al Ka'Abi cited in Radhakrishnan, 2012, para. 9). In September 2012, Abu Dhabi also launched an incentive scheme in the form of a 30 percent rebate of qualifying spend for film and TV productions. The production rebate has attracted several major international productions including Bollywood's *Bang Bang*, Sony's *Deliver Us from Evil*, Universal's *Fast & Furious VII* and *Star Wars VII*. The director of *Star Wars VII*, JJ Abrahams claimed that the rebate played a crucial role in the decision to film in Abu Dhabi; however, the availability of desert landscape, competent crew and a stable political environment were equally significant factors.

The UAE is now well equipped in terms of locations, infrastructures and policies to participate in locational tournaments against other destinations to attract globally dispersed film and TV production and deal with Global Hollywood in its own terms (as proved by the refusal to host the filming of culturally insensitive productions such as *Sex and the City 2*). To enforce this strategy, in 2008 the government established two new institutions: Twofour54 and Image Nation. Named after the coordinates of Abu Dhabi, Twofour54 is an institution responsible for attracting international media corporations and developing local media companies. Twofour54's goal is "to enable the development of world class Arabic Media and entertainment content by Arabs and for Arabs, and to position Abu Dhabi as a regional center of excellence in content creation across all media platforms, including film, broadcast, music, digital media, events, gaming and publishing" (Twofour54, 2013, para. 1). Twofour54 hosts international media companies such as CNN, Bloomberg and Harper & Collins, as well as training facilities for local talents such as the Cartoon Network Animation Academy and Gaming Academy.

Twofour54 is expected to work in partnership with Image Nation, the biggest film production company in the country which was also launched in 2008, as part of the government's broader investment in the creative industries. Image Nation was endowed with a fund estimated at more than US$1 billion to fulfill four key commitments: developing Emirati filmed entertainment; running training and internship programs; creating content to meet strategic and marketing objectives; and co-producing international films through several strategic partnerships. Image Nation was established with the aim of developing a national cinema while simultaneously remaining a profitable enterprise. Developing a competitive film industry able to be economically sustainable and culturally relevant, represents an ambitious target for a country like the UAE that lacks both an experienced film workforce and the critical mass of population to become the Hollywood or Bollywood of the Middle East. To produce its own films, Image Nation and the UAE need to train not only directors but cameramen, script writers, cinematographers and the myriad of other professionals which make up a film crew.

The current CEO of Image Nation, Michael Garin, claims that the solution can be found by analyzing and, in part, emulating the New Zealand example. While large countries such as Mexico, China and India can rely on their large home grown audiences to determine the success of their film industries, a small nation such as New Zealand, with a population size comparable to the UAE, has been able to develop a successful and profitable film industry by setting itself up with production skills to become a sought after film location for international productions. At the same time, New Zealand has created a critical mass of talent and infrastructures that enhance the quality and contribute to the success of local films that tell local stories (Garin cited in Williams, 2012). New Zealand provides a useful model also in terms of the tourist spin off associated with major

international productions. Referring to the benefit of attracting a production like *Star Wars VII*, Paul Baker, the executive director of Twofour54, claimed that "the *Lord of the Rings* franchise resulted in a 40% increase in tourism to New Zealand … We are doing exactly the same to drive that level of tourism [in Abu Dhabi]" (Baker cited in Barraclough, 2014, para. 14).

In order to attract both international productions and develop the local industry, Image Nation has divided into two separate divisions: Image Nation International and Image Nation Abu Dhabi. Image Nation International maintains strategic partnerships with a number of major producers that include Hyde Park Entertainment, Parkes/MacDonald Productions, Warner Bros. and Singapore's Media Development Authority. The international division has coproduced a number of feature films including *The Best Exotic Marigold Hotel* (2011), Academy Award winner *The Help* (2011), *Ghost Rider* (2007) and *Men in Black 3* (2012).

Image Nation International is mainly a profit-driven vehicle, however, it directly and indirectly contributes to the development of local Emirati cinema. First, the profits made by Image Nation International are used to subsidize productions and training programs run through the Image Nation Abu Dhabi division. Second, for each of the major international film productions funded, Image Nation is able to send Emirati film-makers as interns to shadow directors, cinematographers etc., thus enabling the transfer of technology and knowledge from internationally respected industry professionals to young Emiratis. Twofour54 pursues a very similar strategy at home when hosting major international productions. For example, six UAE nationals from Twofour54's Creative Lab program have worked as interns with the *Star Wars* crew both in Abu Dhabi and at the UK's Pinewood studios where the production is based (Newbould, 2014). Third, with more influence over the creative decision making process, Image Nation has now the opportunity to help shape the way in which the Middle East region is portrayed in movies, opposing wherever possible the use of negative stereotypes associated with Arab characters. In some cases, Image Nation has backed up projects that explicitly support Middle Eastern cultural and economic agendas. For example, the company has recently co-produced *Promised Land* (2013) a film about the energy industry in the US. The film, directed by Oscar winner Matt Damon, takes a strong anti-fracking stance. As Middle East exporters of hydrocarbons, including the UAE, stand to profit from the failure of the fracking industry, which uses the controversial method of injecting highly pressurized fluids into the ground to extract gas, Image Nation had a vested interest in supporting the film.

The local division of the company, Image Nation Abu Dhabi, develops film, television and documentary projects showcasing Emirati talent both in front and behind the camera. The local division contributes to the film industry in Abu Dhabi through a number of training and internship programs, held in partnership with Arab Film Studio, that encourage the growth of local film-makers. *Sea Shadow*, the company's first local film, was released in 2011 at a cost of US$1 million. The film, shot completely in Arabic, focuses on the coming of age of young teenagers and the challenges that they face in a country with a strict moral code such as the UAE. The film is a typical example of an art film with Middle Eastern characteristics that targeted the Gulf Region as well as the art-house and the film festival circuits. The second film produced by Image Nation, the Horror film *Djiin* (2012), focuses on the story of a young Emirati couple who return home from the US and discover that their new apartment building built on the site of an abandoned fishing village, is inhabited by a malevolent being known as *Djiin*. *Djiin* is a less orthodox example of national cinema as the film was directed by American director Tobe Hooper. Emirati director Nayla Al Khaja worked with Hooper as a cultural consultant and trained with him to prepare and direct her own feature length horror film. However, the film caused a controversy after the original Emirati

crew walked out over the fact that they had little creative control over the much hyped Emirati production (Arabian Business, 2013).

The *Djiin* controversy is a symptom of the potential conflicts that characterize the relationship between local culture and the global media system. The other significant challenge that both Image Nation and the Emirati film industry will have to face in the short–medium term, is the drastic lack of an experienced workforce and prospective film-makers. Tim Smythe, the CEO of Filmworks, a company that helped oversee the production of major blockbusters such *Mission: Impossible – Ghost Protocol* (2011) in Dubai, claims that "right now for a major international film, I would have to bring 40 to 60% of the people from outside the UAE, and within the UAE, the existing crews are mostly non-Emirati and often don't have enough work to keep them busy all year" (Smythe cited in Yunis and Picherit-Dutler, 2010: 7–8). Yunis points out that Bedouin culture privileges oral (rather than written) storytelling, and this is reflected in the lack of local screenwriters and film critics (Yunis, 2014: 68). Furthermore, issues such as gender roles and the perceived moral ambiguity of the film industry in this conservative country, limit the number of prospective film-makers (Yunis and Picherit-Dutler, 2010). And, despite the extraordinary opportunities offered to film students in the country, financial considerations often hamper film-making ambitions as government jobs are financially far more alluring than relatively low paying careers in the film industry. [2]

Conclusion

Analysis of the two case studies (New Zealand and the UAE) reveal how Global Hollywood had to develop different strategies of negotiation to deal with different interests, stakeholders, cultural backgrounds and existing production infrastructures in the two countries. Recently, the UAE have attempted to emulate the growth model of the creative industries embraced by New Zealand since the 1990s (Potts and Cunningham, 2008). However, the two countries have developed different paths of engagement with the global media system thus developing different models of what Goldsmith et al. (2010) call 'Local Hollywoods'.

As Duncan Petrie points out, the global economy has created a situation in which governments can actively assist transnational corporations while simultaneously serving the economic and cultural interest of a nation (Petrie, 2008: 162). New Zealand, has, overall benefited from the cross-pollination between the global media system and local cultural and economic interests, by developing a sustainable film industry that makes a significant contribution to the country's GDP. Janet Wasko claims that film production outside the US contributes to building indigenous film infrastructures and enhances the local talent pool (Wasko, 2011: 320). New Zealand is a good example of the potential benefits of Global Hollywood to the local industry. The success of the New Zealand model has been, in fact, determined by the transference of skills and technology from major international productions to local ones, and by the government's ability to balance cultural and economic agendas. Local film-makers benefit from the presence of skills and infrastructures that can be deployed in productions with New Zealand content. Recently, local producers have benefited from the expertise generated by *The Hobbit* trilogy (shot entirely with 3D equipment) to make the first 3D New Zealand film *Beyond the Edge* (2013), a production which focuses on the achievements of New Zealand mountaineer and national hero, Sir Edmund Hillary. Similarly, independent film-makers routinely make use of the post-production facilities built by Peter Jackson to cater for Hollywood producers and directors. Furthermore, New Zealand has often embraced globally dispersed productions to redefine its national identity and meaning of place. During and

after the making of both *The Lord of the Rings* and *The Hobbit* films, New Zealand became 'Home of Middle Earth'. The two trilogies, which have associated the country with adventure and other-worldy scenery, have been a serendipitous development for New Zealand tourism, and more broadly have been used to reposition the country in the global market as a new hub of creative industries (Beeton, 2005; Leotta, 2011).

At the same time, however, the optimism of creative industries proponents, as evidenced in Florida's claims about the potential of the New Zealand cultural industry (Florida, 2005), is contradicted by the ongoing disparity between small periphery media regions and dominant centers in terms of political-economic power, media production and the direction of cultural flows. In New Zealand, the 2010 labour dispute between American producers, Warner Bros. and the national actors' union resulted in the suppression of the workers' claims. The New Zealand film industry will only be sustainable as long as it continues to provide cheap locations, non-unionized labour and a favorable currency exchange. Furthermore, local film productions, often endowed with very small budgets, are unable to effectively compete with the large flows of American products even in the domestic market.

The UAE seems to look up to New Zealand as a model of the right balance between global and local focus. In reality, however, the UAE film industry has developed its own unique business model that reflects its historical cultural, geographical and economic peculiarities. The result is a media system which differs significantly from New Zealand. Table 1 below summarizes the main differences between the two countries.

Table 1. Film Industry in New Zealand and UAE

	New Zealand	**UAE**
Governance system	Democratic regime Central national government	Authoritarian regime (strict censorship) Federal government (fierce competition between Abu Dhabi and Dubai)
Funding institutions for local productions	New Zealand Film Commission (government agency that administers funding for local productions)	Image Nation Abu Dhabi (government funded production company)
Film workforce	Highly skilled Partially-unionized Good availability	Medium-skilled Non-unionized Limited availability
Film infrastructures	Advanced film infrastructures	Limited film infrastructures
Incentives for international producers	Landscape variety Political stability Financial incentives (20–25%) Advanced film infrastructures Skilled workforce	Landscape variety Political stability Financial incentives (30% in Abu Dhabi; negotiable in Dubai) Funding opportunities (Image Nation International)
Strategies for knowledge transfer between local and international film-makers	Informal, non-regulated	Internship programs

The UAE have developed their own strategies to engage with the global media system. These strategies rely on the country's idiosyncrasies that include vast financial resources but very limited availability of labour and infrastructures. The UAE engagement with Global Hollywood through the

financing of blockbusters such as the *Best Exotic Marigold Hotel* and *Promised Land* has also contributed to the reshaping of Hollywood itself, by pushing UAE's political agenda and influencing the representation of the Middle East. Furthermore, the UAE's engagement with Hollywood has made possible the development of a local, culturally specific film production that would have not existed otherwise. This confirms that fears of a homogenization of culture resulting from the globalization of Western cultural products may not be entirely justified. Finally, the UAE model could represent an interesting example of cultural and economic contraflow by providing a model of development for other Gulf countries, such as Qatar and Oman, which are planning to follow their neighbor by expanding their investment in the creative industries.

The global engagement of the UAE with the global media system, however, also raises some concerns, particularly in relation to the uncritical adoption of Western formats and genres (Art film conventions in the case of *Sea Shadow*; Horror in the case of *Djiin*) and the lack of a culturally specific film language. Furthermore, the popularity of the UAE as a film location for international productions relies on the availability of a cheap and non-unionized below-the-line workforce. Finally, it is not yet clear how effective the financing activity of Emirati production companies will be in terms of producing media contraflows, influencing Hollywood film conventions and, more specifically, rectifying negative representations of the Middle East.

The two case studies analyzed here reveal how the theoretical frameworks of media imperialism cannot adequately account for the ways in which small nations engage with Global Hollywood. The experiences of the New Zealand and the UAE film industries contradict the media imperialist thesis of a predetermined path of engagement with the major global players (Miller et al., 2005). More importantly, both New Zealand and the UAE have profited in cultural and economic terms from their involvement with globally dispersed productions. Nevertheless, it is also evident that the two industries operate within a media system characterized by a structural power imbalance. Hollywood studios often dictate the terms of their collaboration with local partners and limit both the emergence and global circulation of cultural contraflows. The two case studies analyzed here suggest that some Marxist approaches to the study of media imperialism (Guback 1985; Hozic 2001; Miller et al., 2005; Rhines, 1996; Wasko, 2003) need to be questioned and revised. Yet, they cannot be entirely dismissed as they still provide a useful framework to explain the power imbalance that characterizes the contemporary globalization of screen production. Further analysis of future developments in the film industries of small nations such as New Zealand and the UAE is necessary, as it will contribute to both the reconceptualization of the relation between small nations and the global media system, and a more nuanced understanding of Global Hollywood.

Endnotes

[1] Potts and Cunningham (2008) theorized four models to explain the relationship between the creative industries and the aggregate economy: the 'welfare model', which requires government subsidy; the 'competition model', which is reliant on standard industry policy; the 'growth model' characterized by investment and growth policy; and the 'innovation model' in which the creative industries are seen as an element of the innovation of the whole system.

[2] The average salary for an entry level position in the UAE government, is US$8000 per month (Yunis and Picherit-Duthler, 2010).

Author Bio

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