

## ○ Turning financial calamity into creative resourcefulness

- The secret behind Icelandic theatre festival Lókal -

***The Lókal theatre festival may count itself among the youngest in Europe. Yet, despite the fact that it only launched its third edition this year, it has already survived the worst economic turmoil the western world has seen in nearly a century. Yes, Lókal is located in Reykjavik, Iceland. The festival saw the light of day just months before October 2008. During that ill-fated month, Icelandic banks fell like dominoes, the currency of the Icelandic króna plunged dizzyingly and a whole nation nearly went bankrupt. Even before starting, Lókal faced a very uncertain future. Now, two years on, the festival has not only shown remarkable resilience in gearing up for its next edition, it has also managed to present an appealing, cutting edge programme.***

Tobias Kokkelmans

Needless to say, the limited confines of this text won't allow us to capture the spirit of Icelandic culture or an in-depth profile of the festival's artistic character and international status. However, the question about how cutting edge Lokal exactly is, could be pointed out by the fact that an artist like Philippe Quesne had already been invited to Reykjavik before Dutch audiences got to see his work. Word has it that his Icelandic visit was the inspiration for *La mélancolie des dragons* (shown at the Internationale Keuze in Rotterdam, 2009).

Still, such information is beside the point here. This article deals with the imaginative and quick-witted mentality of an artistic endeavour in dire times. In an era when arts subsidies in the Netherlands are being confronted with huge budget cuts, stories about resourceful and resilient festivals like Lókal may prove to be an encouragement to us all. How did it survive with so little money and such financial uncertainty? How did it manage to stay the course? Theater Schrift Lucifer decided to interview managing director Ragnheiður Skúladóttir and ask her about the secret behind Lókal. Skúladóttir begins by explaining that her festival is a small, independent endeavour.

“The festival is run by only three people. There's no big institution behind it. My main job is as dean of the only theatre and dance department in the country at the Iceland Academy of the Arts. The second partner, Bjarni Jónsson, is actually a playwright. And Guðrún Guðmundsdóttir, the third partner, works in the human resources sector. We had all lived and studied abroad for an extended period of time and coming back to Iceland and living here as adults, we missed the connection, being able to see, if you will, cutting edge theatre from the rest of the world. We are an island, so we are isolated, and as you know, theatre doesn't travel so well. It's expensive and on YouTube you can't see entire shows; you miss the quality and the essence. So we got this crazy idea to begin a festival.”

“For the first festival in March 2008, we were interested in connecting the Americas and Europe - with us in the middle. We thought it was important to help introduce up-and-coming artists to Icelandic audiences. In my capacity as dean, I feel a responsibility to open up the worldview of my students. We live on a small island and if we are going to be able to produce interesting art then we must get round to seeing what is

happening out there. For our young artists it is vital to see that their ideas are comparable to those of other artists in other countries; that they are producing just as interesting stuff as the rest of the world.”

“We got some funding from the state and from the city, and quite a bit of private funding. We then hired two people in addition to the three of us. First of all, Elena Krüskemper, who had worked at the Bonner Biennale for ten years. Although Bjarni and I had worked in the theatre field we had never organised a festival before so we thought it might be wise to get someone who had. Secondly, we hired a technical director, who also served as the technician on all the shows.”

“In Iceland, there wasn’t a model on which we could base our festival. Of course, there’s the Reykjavik Art Festival which has been around for thirty years, but that’s totally different. It’s a big festival, like in most cities, and it shows a variety of arts; theatre only every now and then. I wouldn’t call it mainstream, but it’s more mainstream than we were looking for. So one can really say that there had never been a professional theatre festival in Iceland until we came along. It almost felt like we were on some sort of mission. You know, you constantly have to explain yourself to everybody, everything from what theatre is, why it costs so much, and all the way to: ‘why do you have to pay those people? Can’t they just come just for the sheer joy of coming to Iceland?’ So we had a lot of explaining to do.”

Lókal kicked off impressively in March 2008. Alongside several Icelandic shows, the invited companies from abroad formed an impressive line up: the New York City Players, the Nature Theater of Oklahoma and, of course, Philippe Quesne’s Vivarium Studio. Skúladóttir and her colleagues managed to

install an unprecedented, small but decent sized festival in Iceland. Seven months later, the crisis hit. Did anyone actually see this coming?

“Of course. In retrospect you keep thinking about it. Let me say: we *should* have seen it coming. Things had gotten so crazy out here in Iceland that there was no connection with reality, I think. If you talk about society as a whole, or the idea that Iceland was going to be the main banking nation and financial hub in Europe... that’s an insane idea. In the years building up to 2008, things had become so inflated and strange that we – us, the nation of 320,000 people – should have seen it coming.”

When I ask Skúladóttir how she experiences the effect of the crisis on a day-to-day basis, she can say that she’s doing okay. She’s got her job at the academy, and although her salary was reduced slightly, she still lives a fairly comfortable life. On the other hand, she explains, there are a lot of people – especially the young and the elderly – who are really struggling.

“Iceland is a buyers’ market, which has a lot to do with owning flats and housing. We never really had a renters’ market. Most Icelanders move away from their parents when they reach the age of 20 or 22. They can rent for a while but pretty soon the pressure comes to buy their own house. And this is what was really getting ridiculous, because you could even get 120% loans from the bank at really good interest rates, and those were mixed loans in both Icelandic krónas, euro’s, the Japanese yen or whatever. When the crisis came, the króna became almost totally non-existent. Before the crisis, 1 euro was 85 króna, but all of a sudden it was 200. As a result, the monthly loan payments increased by up to 100%, and at the same time a lot of young people lost their jobs. So I would say that for the younger generation – from 25 to 35 years old - and

then, of course, also for elderly people, this is still really a tough time. And not only with regard to housing, because people were also buying cars with loans in euro's. So if you had a medium-sized normal car, all of a sudden you were paying it off like it was an SUV or a Mercedes."

Naturally, the Lókal festival could not escape the impact of the crisis either. Skúladóttir: "We felt very pessimistic towards the end of 2008 and the beginning of 2009. All our funding had been on a one time project basis. We didn't get a fixed contract with the city, the state or anything like that for the first festival. And although we did manage to get new funding from the city and from the state for the next instalment of the festival, it was less. But, more importantly, the promise of any private funding evaporated during the fall of 2008. At the same time, the first festival had left us in the red at the bank."

It became evident very quickly that the festival would not be getting the money needed for next year. Still, the Lókal team weren't going to leave it there, so they started tackling the problem from a different angle. "We assessed the situation and came up with two possibilities. The first was to return the funding we had already received from the city and the state, to divide the debt in three and start paying it back from out of our own pockets. The second option was to find the best way of making use of the money that was already promised to us. In order to do so, we had to come up with a vibrant and substantial event."

Lókal made a daring move. Skúladóttir explains: "Our mission had been twofold from the start: not only to present artists from abroad to the Icelandic public, but to invite foreign programmers to take a look at the Icelandic theatre scene."

This double focus shifted the balance of the festival somewhat. Instead of inviting three foreign shows like in 2008, it could only afford one foreign show. Luckily, the previous theatrical season in Iceland had brought some very good productions to the fore, so the festival could come up with an interesting selection for its new edition. Out of necessity, Lókal had been forced to assume more of the character of an Icelandic showcase but this in turn provoked further consideration with regard to the festival core goals; in particular, the promotion of up-and-coming-artists. Moreover, the sudden crisis forced the festival team to be financially very resourceful, especially towards their collaborative partners: the participating Icelandic theatre groups and the performance venues in Reykjavik. These collaborators also agreed to contribute without charging a fee towards the festival. It turned out that they all chipped in on the basis of the goodwill that Lókal had generated in the year before, and the fact that it had created a new platform for the Icelandic theatre scene. One could say that a good idea can sometimes move mountains.

Skúladóttir: "I remember that after the crisis had hit, there was, of course, some despair. But somewhere in February 2009 we came up with the idea of an Icelandic showcase. From then on, we were convinced that we were on the right track. In the end, the response from the programmers that came to the 2009 festival was very positive. Right now, we are even contemplating whether we should alternate a biannual Icelandic showcase with a biannual import of cutting edge productions."

According to Skúladóttir, the share of Icelandic and foreign shows this year is more balanced. As well as two shows from Reykjavik, this third festival has productions from Copenhagen, Helsinki, Malmö, the Norwegian group De Utvalgte (also seen

at the Dutch Noorderzon Festival) and the Berlin group Rimini Protokoll.

“Slowly we are getting back on our feet. We have managed to get a little bit of private funding for this year’s festival. Looking at the future, we’re working towards a contract with the city of Reykjavik and the state of Iceland. It’s a sort of a three-way deal, for at least three years. In a normal economic situation, this wouldn’t be so hard. But, of course, there are huge budget cuts now in all public sectors, so I don’t know if we will be able to make it happen. I hope so, because in the end, our budget is only very small in the total scheme of things.

“One fact remains: we have to keep going and remain active as a festival in order to get money. For instance, this year we got substantial funding from the Nordic Culture Fund, which, of course, we wouldn’t have got if we hadn’t already secured the money from the Icelandic state and the city of Reykjavik. And that’s very understandable: people are not going to put money into something that is not going to be realised. That’s why making a festival is always a little like walking a tight rope.”

As often is the case, crisis creates opportunities for new beginnings. In a way, such a dynamic is not unlike that other recent, Icelandic disaster: the eruption of the Eyjafjallajökull volcano. Out of the ash, fertile land will reappear, so to speak. However, a quick dive in the history books gives us a less prosaic example. When in 1783 the Icelandic Laki volcano erupted, the globe was gravely affected for many years. The sulphuric dioxide gases released caused dramatic temperature drops, leading to drought, famine and crop failures: 25% of the Icelandic population died and there were a further 2 million deaths elsewhere in the world. But many historians now regard

the Laki eruption as one of the causes of the French Revolution. Ironically, crisis and disaster may well nurture or speed up new idealism. Skúladóttir agrees: “Absolutely. It might sound crazy, but I’m really confident that our Lokál festival is going to survive.”

Meanwhile in the Netherlands, the arts sector is also facing severe budget cuts. Together with the parliamentary mantra of arts privatisation of the past decade, no Dutch theatre institution will be able to survive without incorporating private funding into their budgets. However, the Dutch subsidy system has been around for so long and the whole apparatus of Dutch theatre has become so institutionalised that people have little idea of how the sector could be transformed.

From this perspective, the story of a small Icelandic festival, capable of turning financial setbacks into creative solutions, is intriguing. The fact that Lókal hasn’t existed for that long, quite apart from its small size, may well be the reason for its ability to react and reboot when necessary, whilst retaining its artistic integrity. Most importantly, the reality of being in the eye of the storm, with no way of escaping it, limited and clarified Lókal’s options: they just had to get through it. And, astoundingly, such a calamity can offer new opportunities. Ragnheiður Skúladóttir admits that Icelandic performing arts don’t really know what the key to successful private funding is yet, but senses that “the attitude to private funding is changing for the better here in Iceland. Or at least, I hope so. There is still money here. The money which Icelandic people had in their banks was protected. In the ‘good years’ before the crisis, people were putting huge amounts of money into single projects as a means of becoming visible themselves. You could say that art funding became personal. It started to be about giving money

individually. Then, after the crisis, there was a further change in the Icelandic people's attitude. Maybe it's because we are such a small society, but I have the feeling that many people here are asking themselves: what can I do for my country, how can I contribute to building it up again?"

In this respect, Skúladóttir refers once again to the importance of the encounter between upcoming artists around the globe and art students in her own country. "In this 'new' Iceland, we must open our minds even more to the outside, we must stop navel gazing and see our world in a wider perspective. I rely on the future generation to do that."

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