

SOCIAL MARKETING APPLIED TO ECONOMIC REFORMS

PEER
REVIEWED | By Alan R. Andreasen and Benjamin Herzberg

ABSTRACT

As social marketers seek to broaden their purview to include upstream applications, they are handicapped by the lack of examples of such applications. This article represents a retrofit of social marketing approaches developed by Andreasen to a major international intervention in Bosnia Herzegovina to reduce the array of impediments to private sector business investment and growth. The Bulldozer Initiative project, run by Herzberg, focused on two target audiences, businessmen and politicians, and sought participation by the former and support and legislative change from the latter. The Initiative was highly successful and resulted in a major change in the business climate and wide praise from an array of international agencies. Major components of the program closely conformed to ways in which social marketers would have constructed them.

INTRODUCTION

In a recent special issue of *Social Marketing Quarterly*, Gerard Hastings and Rob Donovan issued a call for social marketers to “embrace a broader perspective that encompasses not just individual behavior change, but also the social and physical determinants of that behavior” (Hastings & Donovan, 2002, p. 4). The rationale for urging attention to “upstream” interventions is obvious. First of all, as Hastings, Macfayden and Anderson (2000) and Goldberg (1995) have noted, many problematic behaviors are strongly influenced by environmental factors beyond the control of the individuals who exhibit the problematic behavior. Proximate influences such as workplace and school settings, friends, and family can all encourage undesirable smoking, exercise, and eating habits. More distal influences such as poverty or discrimination can lead

to problematic behaviors such as crime, spousal abuse, and child neglect. Second, elements in the upstream environment often inhibit change even when target audiences are motivated to take action. For example, if sidewalks aren't lit, police protection enhanced, or bike paths paved, urban residents may find it very difficult to exercise. Or if condoms and birth control pills are not available in remote regions of Kazakhstan, women will find it very difficult to practice birth control.

Third, as Smith (2000) argues, structural change may make individual behavior change unnecessary either because behavioral problems are avoided (e.g., the cigarette industry is dramatically inhibited) or because problematic behaviors are no longer dangerous (e.g., air bags protect real dummies who neglect to wear seat belts or iodizing salt in the Philippines prevents goiter). A final reason for addressing upstream factors noted by Goldberg, Sandikci and Litvack (1997) is that social norms and role models can have critical influences both for and against desired behavior change such as the reduction of violence in hockey.

The first author of the present paper has recently reinforced these arguments urging social marketers to include interventions aimed at audiences other than those exhibiting (or potentially exhibiting) problem behaviors (Andreasen, 2004b). This requires a slight modification of a traditional definition of social marketing as "the application of commercial marketing technologies to the analysis, planning, execution, and evaluation of programs designed to influence the voluntary behavior of target audiences in order to improve their personal welfare and that of the society of which they are a part" (Andreasen, 1994, p. 110). By replacing "and" with "or" when specifying the objectives of social marketing, one can make space for upstream interventions

that seek behavior change that benefits the broader society but not necessarily improves the social welfare of the individual targeted for change.

The first author argued that social marketing is still about influencing individual behaviors. Each of the upstream interventions suggested in the previous paragraphs require that individuals take action. Legislators have to pass laws and regulators enforce them. Police have to patrol unsafe neighborhoods. Foundation executives have to fund desirable programs. Business leaders have to change workplace practices and media gatekeepers have to tell stories and present facts to move an issue higher on the social agenda (Yankelovich, 1991). Social marketers are especially good at influencing behavior. The field simply needs to explore more extensively these new target audiences and consider how social marketing approaches need to be adapted for these different circumstances – if at all.

A CALL FOR CASE STUDIES

If we are to improve our understanding of social marketing's potential upstream, it will be useful to have a great range of examples from which to draw principles. There are a number of examples in social marketing already (Corti et al., 1995; Donovan, 2000; Giles-Corti et al., 2001). Further, there are undoubtedly examples in other disciplines using media advocacy or lobbying approaches. To add more examples within social marketing, one approach would be to take existing interventions and retrofit a social marketing approach to those efforts. This is not to say that, in such examples, social marketing approaches were used, but that social marketing frameworks could easily have provided a simple, portable approach to such efforts since they all ultimately involve getting specific individuals to take important actions. Such retrofitting may

then suggest other applications where social marketing approaches may be superior.

One such case presents itself in a recent effort by international agencies to promote the growth of private enterprise in a developing country. This project is the Bulldozer Initiative in Bosnia Herzegovina, which was developed and implemented by the second author of this article (Herzberg). While it was not guided by social marketing frameworks, it was guided by marketing principles, and a retrospective look at the effort shows how a social marketing approach could have integrated and guided a great many diverse efforts by diverse parties. In this example, approaches developed by Andreasen (1995) are used to frame actual steps taken in this Initiative. The retrofitting is intended to suggest how these frameworks and tools might be used in as yet untried applications.

THE SETTING

Bosnia Herzegovina (BiH) is a central European country that was created out of a region of the old Yugoslavia and reorganized after armed conflict in the mid-1990s under the Dayton Peace Accords. The signing of the Accords in 1995 was immediately followed by significant involvement of hundreds of international organizations and NGOs trying to create political, social, and economic stability and promote growth in this new, ethnically complex political entity. However, after much initial enthusiasm, by 2003 foreign aid was drying up. The country found itself with an official unemployment rate of 40%, a fragmented market (the country of 3.5 million inhabitants was now divided into two separate entities), GDP per capita of only U.S. \$1800 – among the lowest in Europe – and limited foreign direct investment.

International agencies recognized that a major engine of change *could be* the private sector. However, in 2002 the complexity of the BiH political structure, the presence of obsolete laws and regulations, and the inefficiency of various bureaucracies proved significant impediments. As a consequence, it was estimated that the “informal economic sector” or “gray economy” that avoided official laws and regulations comprised 40% of total economic activity. A range of international agencies and trade organizations had already attempted large-scale reforms that were expected to improve export opportunities, privatization, the labor market, and corporate governance. However, for the aspiring young entrepreneurs who should comprise the hope for the country’s economic future, the more immediate reality was that a stifling array of sometimes petty obstacles kept them from getting new ventures off the ground, growing existing businesses, and making them profitable. These early attempts at structural reform also provided a perfect ground for local politicians to rally their ethnic constituencies behind them on protectionist themes, thus prolonging the ethnic divide created by the war. The much-needed reforms triggered strong opposition as they were directly menacing the vested interest of the various politicians who identified with each of BiH’s separate and ethnically distinct entities.

The initiative to bring about reform in business environment conditions was developed and headed by Benjamin Herzberg of the Office of the High Representative (OHR) for Bosnia Herzegovina. Because the Dayton Accords granted the OHR significant power, the Office could have attempted to bring about reforms from the top down, even to impose them. However, it was immediately clear to Herzberg that significant changes both in the business climate and in BiH civil

society would only come about if there were bottom-up support and action by private entrepreneurs.

The High Representative, Paddy Ashdown, gave the impetus for the project on November 12, 2002 by sending a press release claiming that a “Bulldozer Committee” composed of the OHR, the World Bank, the International Monetary Fund, the European Commission, and USAID would soon be formed to reduce administrative barriers. After ensuring formal participation from those agencies, Herzberg set up a formal office to “bulldoze red tape,” calling it the Bulldozer Coordinating Unit (BCU) of the Bulldozer Committee. Having worked in the private sector, Herzberg set as the first task of the BCU a step strongly recommended in every social marketing approach, namely identifying target “markets” for reforms and the behaviors that these markets, or audiences, needed to undertake. It was recognized that two audiences – businesspeople and government officials – needed to act and that action by the businesspeople needed to precede action by the legislators and bureaucrats.

The actions required by the business people were three:

- 1) Organize themselves into a structure that can suggest reforms and advocate for change;
- 2) Identify needed changes in the regulatory climate; and
- 3) Take actions that would encourage the legislators and bureaucrats to implement needed reforms.

To begin with, the Bulldozer team sought to get a better understanding of the target audiences – in effect, the “listening step” of the social marketing approach (Andreasen, 1995). Particular attention was paid to discovering where these audiences were with respect to four

stages of change (Precontemplation, Contemplation, Preparation/Action, and Maintenance). Conversations with business leaders and other observers made it clear at the outset that a significant portion of the business target audience was in the Precontemplation stage – that is, they did not think that there was any point in considering participation in a reform effort. They perceived the government as disinterested, even hostile to change. And their own personal experiences were typically very negative.

To overcome this perceptual barrier and to move the target audience to the Contemplation stage, the Bulldozer Committee clearly positioned the Initiative as coming not from the BiH government but from the international community. To communicate this positioning and to make more of the target audience aware of the Initiative and the role they could play in it, the Bulldozer Committee adopted an approach quite familiar to social marketers.

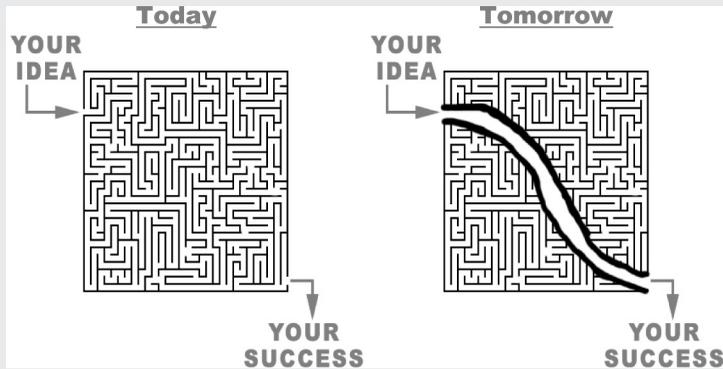
To educate the private sector and rally people to the Bulldozer Initiative, a “road show” was organized, using marketing-like techniques to influence how the target audience of entrepreneurs viewed the Initiative and thereby move them on to the Preparation/Action stage. Presentations were made in eight public meetings which gathered more than 500 businesspeople in eight different cities.

This road show resulted in a perception shift of the target audiences. Owners of small and medium size businesses started to contemplate becoming part of the Bulldozer process, because the Bulldozer Committee leadership implicitly addressed what Andreasen (2004a) calls the BCOS Factors (Benefits, Costs, Others and Self-Efficacy).

- Benefits were made very personal to the businesspeople who would be the

FIGURE 1

One of the Images used to Convince the Private Sector to Engage in the Bulldozer Reform Process



ultimate beneficiaries of the reform effort. Success of the Bulldozer project was described as freeing entrepreneurs from both minor and major red tape that was standing in the way of their business dreams, as shown in the simple graphic in Figure 1, which was shown to entrepreneurs during the road show. Further, because of the involvement and support of the High Representative, the Committee held out the promise that the Initiative could actually improve the overall business climate in Bosnia Herzegovina, thereby yielding each participant significant personal pride in having an impact on his/her country's future.

- Costs of participation were minimized by establishing a very short time frame – less than one year – for “bulldozing” the impediments facing BiH businesspeople. It was also decided to have limited numbers of meetings and otherwise minimize the time costs of participation. The subsequent formation of regional committees also served

to further minimize time costs as well as travel expenses and inconvenience.

- The positive influence of others who could be supportive was incorporated in several ways. First, it was made clear that the five major international agencies involved in structural reform and in the investment climate were behind the project – and it would not hurt companies to ingratiate themselves with these players. Second, to the extent possible, recruitment to various planning committees was done on a person-to-person basis. Third, as momentum built, it was clear that there was interpersonal motivation not to be left out. Fourth, many of the associations to which the businesspeople belonged were supportive of the Initiative. And finally, as with many group efforts, potential participants could see that the planning meetings themselves would serve as a chance to share experiences and frustrations with fellow

entrepreneurs – even if the Bulldozer project went nowhere.

- Self-efficacy was enhanced by the existence of a secretariat that promised to draft any needed changes, arrange meetings, and organize publicity events so that business participants could feel that collectively they could actually make change happen. Further, the Bulldozer Committee kept the other target audience – the government – regularly informed about Committee activities so that the businesspeople would not have to worry that they could not be successful because of government suspicions. The process for suggesting reforms was also made as simple as possible. A simple form for proposing reforms was created that asked only four questions:

- 1) What was the issue at stake?
- 2) What is the business roadblock?
- 3) What is the Bulldozing solution?
- 4) What are the specific action items – what legislation or ministerial action is needed?

A third conceptual framework (in addition to the Stage Model and the BCOS factors) that social marketers consider is competition. The Bulldozer Committee was mindful of competition, which came in several forms. First, some smaller entrepreneurs opposed the idea, believing that the larger and more powerful companies would co-opt the process and capture special competitive benefits only for themselves. Second, elements of the government itself were hostile to business and suspicious of businesses' ethics and lawfulness, a view which they transferred to the Bulldozer Initiative. To battle these potential competitors, the Bulldozer Committee used the consider-

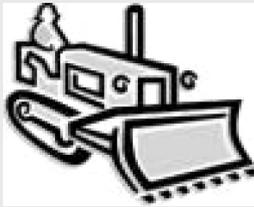
able power of the Office of the High Representative to hold off competition. That is, the High Representative could get the government to be at least willing to *consider* reforms. Additionally, the same reform submission mechanism was used throughout, regardless of the company size, which ensured an equal ground and reassured micro and small entrepreneurs that their proposal would bear the same weight than ones from bigger companies. The filtering pipeline that would vet the proposal was also made transparent to all, thus demonstrating that the selection was solely based on reform ideas, their potential high impact, and their feasibility.

A third major opposition group was the traditional Chambers of Commerce that saw the Bulldozer Committee as usurping the Chambers' traditional role and even threatening their own financial base. The Chambers published articles against the Bulldozer Initiative and lobbied politicians to withhold support. To combat this opposition, efforts were made to incorporate the Chambers – along with other important business groups – directly in the planning process.

THE CAMPAIGN

The Bulldozer Committee began its marketing campaign by adopting two key features of commercial marketing. First, it branded the project as the "Bulldozer Initiative" and set a very simple mission – bulldozing red tape. The bulldozer image became an instant and culturally relevant symbol for the overall effort (see Figure 2). Second, the committee developed a powerful motivating slogan that emphasized the do-ability of the project as "50 Economic Reforms in 150 Days." This "value proposition" simultaneously captured a principal benefit of the effort and spoke to one of the costs that entrepreneurs might be contemplating –

FIGURE 2
The Bulldozer Logo



i.e., that the process would involve too much time and energy on their part.

Clearly, at this initial stage the Bulldozer Committee had to pay attention to its second target audience as it thought about crafting the 50 reforms. With the start of the Bulldozer Initiative, the government target audience was immediately propelled into the Contemplation stage. The Initiative got significant press coverage and, of course, it had the provenance of the High Representative's office. The challenge was how to get politicians to move through the Contemplation stage to Action and Maintenance.

The key marketing problem at this point was to get the product right. The Bulldozer Committee had to present 50 reforms on which the government target audience could and would act. To achieve this while at the same time working to build bonds among the business participants, the Bulldozer Committee first sought reform ideas through many open forums, meetings, and calls for suggestions in press releases. Then each reform was summarized on a simple form (see Figure 3). The hundreds (later, thousands) of reform proposals were then subjected by the Bulldozer Committee to a complex filtering mechanism including legal and economic analysis, careful cost/benefit calculations and, finally, vetting by industry experts and advisors from the five

FIGURE 3
The Roadblock Submission Form



BULLDOZER EFFORT
ROADBLOCKSUBMISSION.COM

Submitted by: _____

Private Business	Government Agency	Local Institution Agency	International Agency	Student Committee
<input type="checkbox"/> NO response	<input type="checkbox"/> NO	<input type="checkbox"/> YES	<input type="checkbox"/> YES	<input type="checkbox"/> YES
<input type="checkbox"/> NO (NO response)	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO
<input type="checkbox"/> NO (NO response)	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO
<input type="checkbox"/> NO (NO response)	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO
<input type="checkbox"/> NO (NO response)	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO
<input type="checkbox"/> NO (NO response)	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO	<input type="checkbox"/> NO

* Please provide _____ Contact information: _____

Address: _____

Phone: _____

Why is this a roadblock?

1- _____

2- _____

3- _____

Submitting entities:

1- _____

2- _____

3- _____

Justification:

REMARKS: Please indicate the specific law or regulation reference to be amended as well as the specific statute, section or regulation upon the original bill or statute to be amended.

international agencies. The latter were critical to make sure that both target audiences did not see the process as only benefiting certain organizations or certain subsectors of a business community. The initial call for proposals resulted in 70 final candidates. These were then democratically discussed in three open forums and voted on. During the first phase each participating business association – around 25 – had a vote. The Bulldozer Committee thus elected the final 50 reforms.

Once the package of 50 reforms was ready, the subsequent strategy targeting the government target audience focused on promoting the “product line” of 50 reforms. The strategy implicitly used the BCOS factors to get the government leaders to take action.

BENEFITS

- The ramping up process to choosing the 50 reforms made it clear to government figures that there was

potential for significant political rewards from taking action. Future votes could be gained from the participants and perhaps campaign contributions and volunteering. To enhance this benefit, one of the first steps of the Bulldozer Committee after the 50 reforms were chosen was to hold a very visible outdoor press event – in front of a real bulldozer – handing over the list of reforms to the State-level prime minister. Pictures were also taken of the Bulldozer Committee regional members entering the State Parliament building carrying piles of reforms and handing them over to all executive heads of each of Bosnia and Herzegovina's political jurisdictions. Other politicians and bureaucrats could immediately see the potential career benefits.

COSTS

- Perhaps the most important feature of the initial reforms was that they did not require major legislative or regulatory overhauls – for example, the replacement or abolishing of some entire law or regulatory process. Rather, the reforms addressed specific articles pinpointing micro-regulations. For instance, a Bulldozer reform tackled the issue of mandatory fees that companies have to pay toward the maintenance of bomb shelters when investing in building commercial premises. That fee, inherited from the cold-war era, had been left in place and represented a way for municipalities to collect revenues in a non-transparent manner, without accountability (as such, bomb shelters were obviously not being built). The fee hindered investments in production facilities as it increased the construction costs by two percent, representing, for a factory of 2000 m²,

an amount equal to the net annual salaries of six workers. The recommended solution was extremely targeted and concerned only one article of the Law on Defense. Another reform resulted from the discrepancies existing between the different jurisdictions of the country when it came to registering a Limited Liability Company. The minimum capital requirement happened to vary by a factor of 5 and the minimum share amount by a factor of 20 depending on where entrepreneurs were geographically located, hence creating a non-leveled playing field. To harmonize the conditions across all locations, the Bulldozer Committee recommended changes in the Law on Enterprises of each jurisdiction. But that change only concerned one article in each Law, and in that article only one paragraph. Thus, politicians carried only a low risk of offending their ethnic constituencies by promoting such reforms. (Fortunately, the politicians did not anticipate that each of the reforms they accepted due to its low cost was soon to be followed by more costly demands. Shaking hands with businesspeople appeared safe enough, but businesspeople quickly understood that once the political hand was in theirs, they could squeeze it hard.)

OTHERS

- The initial photo-ops made it clear to lower level politicians and bureaucrats that the three prime ministers were behind the Initiative. And, of course, they were cognizant of the role of the OHR and the four other international agencies. The Bulldozer Committee also sought to involve business associations and Chambers of Commerce to help in efforts to

actively lobby those politicians and bureaucrats who needed to take action. Journalists were also courted and kept regularly informed about progress toward the reform agenda. Their news stories brought additional pressure to bear – and offered the promise of praise for favorable government responses.

SELF-EFFICACY

- It was important to make politicians feel that they could accomplish the changes. To this end the Bulldozer Committee drafted needed amendments or regulations for them. Further, they emphasized that these were small changes that were relatively easier to accomplish than major overhauls.

Competitors were also addressed. As observed, initially the Chambers of Commerce served as competition since they were important beneficiaries of the old system. But the Bulldozer Committee and its allies made the issues so public through effective use of the media that it was very difficult for anyone to speak out against the package – especially since they focused on the universally abhorred red tape. The Chambers reluctantly decided to join the process.

FIRST PHASE RESULTS

Social marketing of the 50 reforms was highly successful, although it took an extra 37 days beyond the original target of 150 days for the relevant political bodies to enact all the 50 reforms. The next challenge was to reinforce the behavior of both the business and government target audiences so that the process of reform continued – i.e., to move them all to the Maintenance stage. To do this, the Bulldozer Committee undertook several steps:

- 1) Regional committees were empowered to make sure the reforms were actually implemented (which ended up not always being the case). Clearly, the entrepreneurs would not continue to be engaged if they thought that the governments only gave token acquiescence.
- 2) The role of the international agencies was reduced drastically with cancellation of their veto powers over the Bulldozer reform proposals so that businesspeople and their associations would have more ownership of Phase II.
- 3) Trade unions were added to Bulldozer Committees to ensure that they supported further initiatives and could help give the outside world – for example, foreign investors – the sense that reforms had the imprimatur of all three major economic players, government, business, and social actors.
- 4) Regional Bulldozer Committees created a TV spot, a telephone hotline, and newspaper ads informing businesses and the general public about Phase II and the reform efforts in general.
- 5) A brochure (see Exhibit 2) was prepared informing the public of each reform proposed during Phase I with an evaluation of their effects, and introducing a cartoon on the “Adventures of Max,” a businessman who overcomes problems by participating in the Bulldozer Initiative. Eighty-four thousand copies of this brochure were distributed in the three languages of the countries, through five of the main newspapers.
- 6) A monitoring system was established to track both progress and impact of the reforms.

As a result, the following occurred:

- 1) Several leading entrepreneurs contributed funds for future advocacy efforts.
- 2) The media shifted coverage of businesspeople from portraying them as crooks taking advantage of the citizenry to a new breed of “frustrated stakeholders eager to take over the future of their country.”
- 3) Perhaps most significantly, the three Prime Ministers, the six heads or speakers of Parliament, the Mayor of Brcko, and seven local Bulldozer representatives held a very public, well covered signing of a “The Protocol for Prosperity” which stated their “commitment to continuing and deepening their support for the reform process.” The signing of the Protocol (see Exhibit 3) was held in a botanical garden and a symbolic rose tree was planted by each participant in an area re-christened the “Prosperity Garden.” This historic agreement was the first one in BiH since the Dayton peace treaty of 1995 was signed by all the heads of the executive and legislative branches of the country.

MONITORING GOALS

The Bulldozer Committee sought to assess impact of their Phase I efforts at several levels, each higher level signifying broader impact:

- 1) Did the reforms take place?
- 2) Did the key target audience – business people – benefit from the reforms?
- 3) Did the reforms facilitate sustainable development – e.g., of private enterprise?
- 4) Did the reforms improve civil society in general?

- 5) Did the reforms advance the development agendas of governments and international agencies?

Of particular concern was the third measurement – did the reform or set of reforms improve the business climate? Did businesspeople feel that they could be more entrepreneurial and aggressive? Did they feel that they now had a real voice in reforms? Was the international investment community more likely to devote resources to business enterprises in Bosnia Herzegovina? The Committee settled on six measures of impact that would signal improvement in the business climate:

- Amount of job creation;
- Increase in tax revenues to the authorities;
- More capital freed for investment;
- Increased exports;
- Less administrative burden; and
- A smaller gray economy.

Obviously, different reforms among the 50 would impact different indices. To communicate its findings, the Bulldozer Committee published a second information brochure and distributed 200,000 copies throughout the country. A comic strip recounting “The Adventures of Max” related the efforts of the main character to find out how various individuals had benefited from specific reforms.

ACCOMPLISHMENTS

It is still too early to quantify numerical improvements. However, it is clear that the biggest impact is on the investment climate. This impact can be attributable to the fact that the reforms were passed as a package, pushed by the private sector itself, and that they received a positive response from the government, thus creating a constructive dialogue between the private and the public sectors.

- The Initiative succeeded in shifting the mindset of many entrepreneurs. For instance one of the main Austrian investment funds had decided to stop investing in BiH because of the intensely bureaucratic behavior of the authorities and problems linked to corruption. After two years of dormant operations, following the Bulldozer Initiative they decided to reopen the fund because they considered the Initiative to be a positive indicator of improvement of the business climate.
- An Austrian bank network, which participated in the Bulldozer Initiative by submitting two of the selected first 50 reforms, decided to carry out the acquisition of BiH's National Profit Banka, more than doubling its presence in BiH by doing so. Of course, the Bulldozer Initiative was not the main determining factor in this acquisition. But in his first speech marking the acquisition, the head of this network acknowledged the important role of the Bulldozer process in forming the Austrian headquarters' view of the business environment of the country.

At the South East Europe Investment Conference, the BiH Foreign Investment Promotion Agency (FIPA) listed the Bulldozer Initiative as the number one factor generating economic stability, noting that it helped create the "fastest improvement of business climate in Southeastern Europe." Whether or not that claim was true, the fact that the official BiH agency in charge of promoting investment used the Bulldozer Initiative as a promotion tool is significant.

Such examples, among many others, demonstrate a sure, if not quantitatively measured, improvement of the perception people now have of the country and

indicate how Bulldozer was key in shifting mindsets. But its reach, in fact, goes well beyond investment climate per se. Several international agencies also spoke positively about the campaign:

- According to the International Crisis Group, the Bulldozer Initiative has "create[d] an alternative constituency for reform, [which does] not rely just upon the national parties" (Arslanagic, 2003).
- Mr. Javier Solana, European Union High Representative for the Common Foreign and Security Policy (CFSP), noted the goodwill that the Bulldozer Initiative created within the government by declaring that "Prime Minister Terzic's government has played an important role in pushing through the 50 'Bulldozer' microeconomic reforms earlier this year – reforms that will make it easier for entrepreneurs and investors to create new jobs" (Dnevni Avaz, 2003).
- The European Bank for Reconstruction and Development (2003) underlined in its Strategy Paper for Bosnia and Herzegovina that the key issue for the authorities was to push for a single economic space, and that "the Bulldozer Committee, represent[ed] a significant progress in that regard."
- In the European Commission *Stabilization and Association Report for Bosnia and Herzegovina* (2003), the Commission noted that "the [Bulldozer] Initiative is welcome on several counts: It concentrates on practical concerns and should thus raise less political opposition and it has arguably built civil society by encouraging citizens to lobby in favor of issues which concern them." As such, it has been one of the factors taken into

FIGURE 4

The Bulldozer Makes Headline News in Top World Newspapers



account in the Commission’s approval of Bosnia and Herzegovina’s Feasibility Study in November 2003.

- In its Enterprise Policy Performance Assessment for Bosnia and Herzegovina (2003), the Organization for Economic Co-operation and Development described the Bulldozer reform process, noting that it represented a turning point for policy reform for the country.
- Lastly, many foreign newspapers such as the *New York Times* or the *Times of London* reported on the Initiative

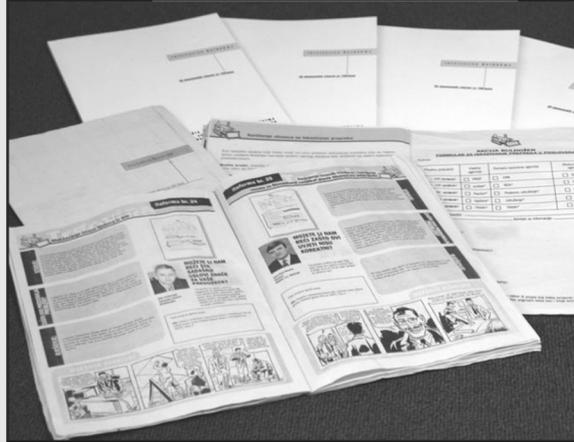
EXHIBIT 1

A turning point in the campaign: The public image of the Prime Minister standing in front of a bulldozer and behind a banner reading “50 economic reforms in 150 days”



EXHIBIT 2

Brochure with a Comic Strip Explaining the 50 Reforms to the Average Citizen



(see Figure 4), helping to shift the perceptions that foreigners have of Bosnia and Herzegovina from a post-war country to a reformer's country.

CONCLUSION

The downstream goal of economic reform in Bosnia Herzegovina was to

change the investment behaviors of ordinary businesspeople in the country. However, such behavioral changes were not possible without *upstream* changes in the regulatory environment. In the past, social change agents might have turned to political scientists or community mobilization specialists for guidance on how to go about such upstream interventions. By recasting the Bulldozer Initiative in social marketing terms, we have shown how the latter's frameworks and tools are entirely suitable for such upstream interventions.

EXHIBIT 3

Signature of the Protocols for Prosperity

**IMPLICATIONS FOR SOCIAL MARKETING**

As recently presented by Andreasen, the authors argue for a broader role for social marketing throughout the social change continuum. They propose that social marketing frameworks are sufficiently robust to address challenges in influencing funders, the media, politicians, community activists, and others whose "upstream" behaviors are critical to significant social reform. They

demonstrated in this article that such a framework was able to tackle complex political and economical agendas where billions of dollars in aid had not succeeded. Furthermore, Andreasen has argued that this robustness simplifies the planning challenges of social change agents in that they need only learn one set of concepts and tools rather than having to be a political scientist on some occasions, a community activist on others, and a media advocate throughout. Social marketing frameworks apply in all these instances. The authors believe that this recasting of the Bulldozer Initiative offers an initial insight into the validity of this argument.

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