Relating Importance of Marketing to National Development

Before taking on a major future oriented reorganisation of the educational system the developing nation has the immediate problem of employing the currently unemployed and improving the productivity of the currently employed. The techniques of marketing research and product development can contribute in many ways to the needed educational revolution.

by A B M S Zahur

PETER Drucker underlined the importance of marketing in developing countries because it is capable of answering the critical need. It is a common knowledge that in most developing countries the government and its allied public enterprises own a major portion of the productive sector of the economy. Often government makes policies which prove counterproductive to the marketing efforts of individual firms. It is, therefore, essential that the governments understand marketing and its implications to further their aim at national development.

The role of marketing is incomplete without giving adequate importance to the overall field of management. Implementation of good marketing ideas requires good management. The following conditions should be met before any government embarks on a marketing approach: (a) Recognising that marketing and management are professional disciplines; and (b) Recognising that in organising different governmental operations, deliberate screening of candidates for their competence in the field of management is essential.

In the subsequent paragraphs an attempt has been made to indicate, in brief, the usefulness of marketing technology in some basic fundamental problems.

Population Control: Despite adoption of the explicit goal of formulating population policies and programmes to accelerate the adjustment of reproductive patterns to changes in survival patterns the high birth rate has not changed significantly in most of the developing countries. Such failure could have been avoided had the management of family planning programmes used virtually all the technology of marketing. Population programmes face extensive informational problems. The magnitude of the communication problem is somewhat parallel to the need for intensive distribution of contraceptive devices in order to reach the different sectors of the population. Market research can be used to set up targets for different markets and to test the effectiveness of different administrative and communication programmes. The technology of marketing pervades the administration of population control programmes in setting up targets, in devising communication schemes, in developing appropriate distribution methods, in motivating the community in the adoption of family planning practice, in devising incentive schemes, in affecting public attitudes toward the use of contraception, in developing and testing new methods of contraception, in developing proper market segmentation strategies and measures of effectiveness for different programmes.

Agricultural Development and Farm Productivity: Low farm productivity of many developing countries is often due to factors such as inefficient methods of irrigation, lack of mechanisation in farming, inadequate supplies of fertiliser and natural disasters. But one fundamental problem which is not recognised is lack of marketing system. Development specialists such as Owens and Shaw rightly pointed out that agricultural development is more a human problem than a technical problem. If all farmers can be provided with production inputs, the financial system, the market and the agricultural knowledge they can improve the agriculture. Most of the farmers lack access to market system and thus lack both resources and incentives to modernise their production.

Development of rural market system is of fundamental urgency in bringing about the necessary agricultural revolution. Proper incentives should exist for a subsistence farmer to produce more. The most basic incentives is his access to the national market. Marketing technology can play a major role in enabling this phase of institutional development.

Institutional access to the national marketing system could be accomplished as an independent task or as part of a major social developmental action. The marketing system could be a part of community centre which offers a variety of services social, economic and educational to its residents. In the past a variety of community development schemes were introduced in developing countries. But a community centre differs from a community development programme in two respects, fiscal responsibility and management by the community. The concept of community centre is not new. Its design and development needs a variety of interdisciplinary skills, of which marketing is one of critical contributors. Marketing technology can help define the economic, financial service and management components of the community centre.

Education and Manpower Training: Marketing concepts and techniques may have profound impact on meeting the nation's manpower needs. Developing nations need a wide variety of human skills to bring about economic and social development. Much of educational thrust in developing nations is restricted geographically to urban areas. Very little emphasis is placed on non-formal training programmes to increase the productivity of rural labourers, farmers and the like. There is considerable truth in saying that "the uneducated are not always unwise, the illiterate are not always ignorant." Generally speaking, educational institutions have defined their markets very narrowly. Many of these institutions could mount a wide variety of extension programmes or outreach activities in their surrounding communities and train people through non-academic instruction.

Students often do not see any relationship between their educational aspirations and job aspirations. The employment practices are partly responsible for this. Very often employers do not insist on hiring personnel with appropriate educational skill. This vicious circle has to be broken to influence public attitude toward job-oriented education. Job productivity can be increased by developing realistic training requirements for different educational categories. Before taking on a major future oriented reorganisation of the educational system the developing nation has the immediate problem of employing the currently unemployed and improving the productivity of the currently employed. The techniques of marketing research and product development can contribute in many ways to the needed educational revolution.

Industrial and Entrepreneurial Growth: Many developing nations in their quest for industrial growth have imported sophisticated intensive technology from the West. This has put an enormous burden on the nation's scarce foreign exchange. In this process the technological and capital needs of small industries have been largely neglected. In this respect developing nations may take lesson from both Japan and the United States where small businesses constitute a large part of their industry.

Some nations have encouraged the building of factories in the rural sector. This strategy often proved to be uneconomical as the job skills demanded by these factories are quite alien to the technical skills the rural community can offer or can be trained for. Industrial development has to be tied to the local community. In developing countries where high technology investments are prominent, the operation of these enterprises has suffered from managerial problems. A nation's demands for management professionals will grow as it proceeds to industrialise, and the supply of talent should keep up with the projected growth patterns. New entrepreneurs can be produced and existing entrepreneurs can be stimulated to greater efforts in their business through training. Marketing professionals may take an active role in entrepreneurial development programmes. It is relatively easy to provide technological assistance to an entrepreneur than marketing assistance. Marketing skills are sorely needed for successful entrepreneurship. Organisations dealing with entrepreneurial training should have marketing professionals on their staff to train the potential entrepreneur.

Export Promotion: In such a governmental activity marketing plays an invaluable role. Trained marketing professionals should be placed abroad to seek export opportunities as well as to conduct necessary research on the nature of the competition that the country is likely to face abroad. On the domestic front, information on market opportunities must be widely disseminated for all potential entrepreneurs in the product field. Opportunities should also exist for the development of new export ideas by individual manufacturers. In order to perform this function effectively, the government should centralise all export related activities in an "Institute for Export Promotion" with considerable operating authority.

Tourism: Marketing of tourism is a difficult task because it requires (a) an extreme degree of job specialisation in its organisation and hiring of skilled personnel, (b) development of physical facilities, (c) innovative pricing mechanisms in coordination with the elements of the private sector, (d) a sense of understanding of the problems tourists face in alien countries, and (e) building an integrated organisational structure to coordinate all aspects of tourist activities.

In drawing out tourism promotion programme realism, accuracy of information, cultural habits of people, life styles of the local population, and risks of unguided travel should be emphasised. To facilitate and encourage travel a wide variety of tour package should be made available. To sustain the growth of tourism the characteristics of a potential tourist to the country should be researched.

Concluding Remarks: It is true that marketing in a developmental sense produces profit, but the profit is in the kind of human resource development and ultimately national development. To Raffaele "economic development is a social process in which interaction between rising human capacities and their employment and the environment and institutions favourable to them takes place." For effective contribution to economic development marketing must deal with issues concerning socio-economic aspects of the nation's environment.

The author is a retired Joint Secretary.

Rising Hints at a Million Mutinies

The Palestinian insurrection that erupted on 28 September instantly unified the chronically-fractured and factional Israeli political front into a massive chauvinistic and nationalistic propaganda machine. But a vocal peace-loving minority has been carrying on a campaign through the press.

Michael Jansen writes from Jerusalem

WHEN Yossi Beilin, the Israeli Justice Minister, launched negotiations with the Palestinians, he had the backing of a large section of Israeli public opinion. Today he has little influence over the decisions Prime Minister Ehud Barak takes.

"The Jews are against Oslo; it is dead," says Dr Israel Shahak, a well-known maverick political commentator, referring to the so-called Oslo Accords designed to achieve peace between the Arabs and Israel. For the vast majority of Israelis have rallied once again behind the hardline rightwing 'national camp' and the army. And public opinion is expected to stay that way for some time.

In many ways, the present political atmosphere in Israel can be compared to the mood of 1967, when Israel fought a war with its Arab neighbours. "Israelis are united because they feel threatened by Muslims not just Arabs. There is a religious dimension now," Shahak says.

The result of an opinion poll of members of the secular leftist Meretz party backs up the view. Ninety per cent want the party to join a "national emergency government" which would include religious parties and Meretz's arch enemy, Ariel Sharon, leader of the right-wing Likud and the man who sparked off the current uprising with a provocative visit to the Al Aqsa mosque in Jerusalem.

By comparison, public opinion was divided during the first few months of the *Intifada* in 1987.

There are some immediate political implications. Although Barak has taken a tougher stance against this *Intifada* than the Likud government adopted against the first one in 1987, he would lose if elections were to be held now. A poll taken later last month revealed that Sharon would win 41 per cent of the vote while Barak would get 31 per cent. Although Barak's approval rating has been dropping over the past few months, this was the first poll that gave Sharon a clear advantage.

Ordinary Israelis believe that it was Barak's "concessionary attitude" towards the Palestinians, rather than his refusal to implement the Oslo Accords, that brought about the *Intifada*. In the opinion of the Israeli right, Barak encouraged the Palestinians to demand more than Israel is prepared to 'give' that is, the return of the land Israel occupied in 1967.

Clearly, Israelis have reverted to the clichéd notion that "the Arabs only understand force." While 140 Palestinians have been killed and more than 3,000 wounded since the uprising began, eight Israelis have died.

Sharon and the right wing have ably exploited the 'siege mentality' cultivated by the Israeli politico-military establishment. Although Israel is the regional super-power and the Israeli army has far greater firepower than any combination of Arab armed forces, ordinary Israelis consider themselves to be under continual siege.

Israeli fears have been heightened during this *Intifada* by the rising of the oppressed and underprivileged Palestinian citizens of Israel. Consequently, Israelis see themselves as being besieged on four fronts now: in Gaza, the West Bank the Arab inhabited areas within the country and by the Lebanese Hizbollah, an enemy they respect on the northern border.

The Israeli 'peace camp' is in disarray, but its stalwarts are not intimidated by the rise of the rightist 'national comp.'

During previous conflicts Israeli leftists and liberals were silenced once the guns began to sound. Today, opponents of Barak's policies continue to speak publicly and comment in the press, although they receive short shrift on television, the main medium for news.

The main vehicle for the expression of moderate and left-wing opinion is the quality daily, *Haaretz*, read by about six per cent of the Israeli public.

Peace campaigners writing in *Haaretz* express views which are viewed as heresy by the mass of Israelis. For example, veteran peace activist, Uri Avnery, laid the blame for the present crisis on the Israeli side. He reminded his readers that the peace camp had been warning the public and the government that there would be a conflagration if Israel failed to seriously pursue the peace process.

"We have a partner for a just peace in the Palestinian Authority. We do not have a partner for a peace that is dictated by Israeli colonialism."

Shulamit Aloni, a human rights activist and founder of the Meretz party, is even sharper in her criticism of Israel.

"There would have been no unrest," she says, if Sharon, guarded by more than 1,000 troops and police, "had not gone into the mosque compound on September 28th. Our insensitivity and arrogance and the assumption that justice is on the side of the strong, is the cause of what happened. The Palestinians are demeaned and persecuted, and their rage is just."

However, the so-called 'national consensus' in Israel is temporary. The Palestinian rising will, ultimately, sharpen the fundamental divisions in Israeli society, widening the gulf between secular and religious, Westerner and Easterner, rich and poor, hawk and dove.

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by Jim Davis