



Privatization of Agricultural Extension

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The approaches in agricultural extension to transfer the farm technology, has undergone spectacular changes over the years. These changes have taken place structurally and functionally across the globe. Many countries are now in the process of modifying the existing public extension system, so as to meet the current challenges.

Concept of Private Extension

Bloome (1993) indicated that, private extension involves personnel in the private sector that delivers advisory services in the area of agriculture and is seen as an alternative to public extension. Whereas, Van den Ban and Hawkins (1996) stated that, farmers are expected to share the responsibility for this service and pay all or part of the cost.

Saravanan and Shivalinge Gowda (1999) operationalized Privatization in the following manner, “Privatization of agricultural extension service refers to the services rendered in the area of agriculture and allied aspects by extension personnel working in private agencies or organizations for which farmers are expected to pay a fee (or free) and it can be viewed as supplementary or alternative to public extension services”.

These concepts about the privatization emphasizes three aspects, they are

- It involves extension personnel from private agency/ organization

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- Clients are expected to pay the service fee (private extension may not expect fee from clients.eg.NGOs)
- Act as supplementary or alternative to public extension service

Reasons Behind the Privatization Issue

Financial Burden on Government

First and foremost reason behind the privatization is declining trend in government expenditure for extension in several countries over the last decade. Financial burden of governments have forced to make sharp reduction in the budget of public extension programmes (Howwell, 1985; Antholt, 1994; Sulaiman & Gadewar, 1994; Dinar, 1996; Vanden Ban & Hawkins, 1996).

Disappointing Performance of Public Extension Service

Impact of public extension system in agricultural development is generally disappointing, ineffective extension work, transfer of technologies are not economically viable, not matching with farmers needs, little consideration for cost-effectiveness, less competent extension personnel with no accountability to farmers, bureaucratic nature and target oriented programmes mostly imposed on farmers (Ameur, 1994 and Hansra and Adhiguru, 1998). Moreover, public extension alone will never answer the entire demand of farming community (Rivera and Gustatson, 1991).

Commercialization of Agriculture

In recent past most of the developing countries including Indian agriculture are shifting from mere subsistence level to commercialized agribusiness (Sulaiman and Gadewar, 1994). Above all, challenges and opportunities of globalization & liberalization era demand effective alternative extension approach. Growing commercial and specialized nature of agriculture will demand quick and technically sound advice, based on scientific analysis with appropriate marketing information. Existing public extension system is not capable of meeting these challenges (Hassanullah, 1999).

Assumptions Behind Private Extension

- Extension generates new income, extension become economic input.
- Provides Demand-Driven Service
- Increases the voice of farmers in the extension service
- Extension service become more cost effective with efficient and quality service
- Privatization complement or supplement the efforts of public extension
- Extension personnel become more client accountable
- Private extension increases staff professionalism
- Clients (farmers) are more committed to the service
- Private extension not suitable to small and marginal farmers
- Private extension concentrates big and progressive farmers and areas having favorable environment
- Private extension is less education oriented and more commercial in nature
- Private extension don't concentrate on food grain production
- Private extension restricts flow of information
- Less contact between extension worker and farmer

In recent past, many private extension agencies, NGOs are entering in the agricultural sector to influence different categories of farmers. This existing climate will change the elements of extension process such as; objectives, target group, offerings, organization, methods (Roling, 1982) and also redefines the roles of public and private extension system.

Expected Elements in the Private Extension System

Objectives

- Profit maximization
- Efficiency

Target group

- Only those who can pay (commercial, big farmers)
- More committed
- Highly careful
- Active participation

Offerings

Technologies

- Location specific
- Demand driven
- Profitable

Input supply

- Timely

Organization

- Private consultancy
- Commercial, agro-based firms
- Input agencies
- Farmer's organizations etc.

Extension
personnel

- Accountable to farmers
- Highly motivated
- High professionalism

Funding

- Clients contribution
- Development agencies

Extension service

- Advisory in nature
- Economic input, generates new income

Methods

- Personal communication
- Low with group and mass communication
- Participatory approach

Objectives

Prime objective of private extension mainly concern with maximum possible profit to the clients through advisory services. Because their remuneration obviously linked with increased income of the farmers. Private agencies survival depends upon nature of their performance, so, they try to become more efficient and effective in providing services.

Target group

Private extension mostly concentrates on big farmers, farmers growing commercial crops, areas having favorable environment like high fertile soil, irrigated area. They will not be interested in investing small, marginal and resource poor farmers, because private agencies are more concerned about

their profits. Farmers of rain fed area, farmers with less per capita income in subsistence agriculture may not allow them to pay for the extension service.

Clients

In private extension system, clients are more committed and careful about extension services, because they are paying for the service. Clients make best use of private extension workers time.

Offerings

Profit oriented services include not only technology transfer and also input supply. Offerings are based on seasonal needs and convenience of the farmers.

Technologies

Private extension agency transfers the location specific and demand-driven technologies. Technologies become specialized and profitable. Private extension ensures timely input supply.

Organizations

Private organizations such as, agricultural consultancy, commercial firms, agro-based industries, input agencies organizations etc., will enter in the area of extension service.

Extension personnel

Private extension personnel become more accountable to clients and highly motivated because they are getting remuneration from their clients. They become professionally sound and will put efforts to upgrade their knowledge and technical know-how.

Funding

Private extension service gets funds from farmer's contribution and developmental agencies.

Extension service

Advisory nature of service, extension becomes purchased input and it generates new income to farmers.

Methods

Private consultancy mostly employees personal contact methods, because group approach will reduce their chances of getting consultancy fee.

Role of Public and Private Extension System

Emergence of private extension system demands redefining the role of public extension system and private extension also assumes certain specific roles. Private extension will concentrate the commercial resourceful big farmers, favorable environment areas such as irrigated, high fertile soil and commercial crop growing areas. Private extension will perform mostly on “ Profit maximization roles.” This situation makes public extension to concentrate on Socio-economic transformation of rural area with more educational oriented roles, concentrating small, marginal farmers and other weaker section of the rural area. So, public extension will concentrates on a “developmental roles.”

Role of Public Extension

- Technology transfer for Socio-economic transformation of rural area
- Safe guarding national food grain production.
- Concentrating on environmental issues
 - * Sustainable agriculture
 - * Soil and water conservation measures
- Emphasizing integrated nutrient and pest management
- Human resources development in agriculture

- * Gender issues
 - i. Empowerment of farmwomen
 - ii. Training programmes for women
 - iii. TOT for women cultivators
- * Training for present and prospective farmers
- Providing advice for off-season employment to rural poor farmers
- Coordinating efforts of different developmental departments for rural development.

Role of Private Extension

- Farm advisory services for profit maximization of clients
- Timely inputs supply for better production
- Providing market information and market intelligence
- Processing the clients produce
- Marketing the clients produce
- Providing credit facilities for farmers
- Providing infrastructure facilities e.g.: transport, storage (Saravanan and Resmy, 2000)

Privatization of extension demands changes in agricultural research and teaching.

Required Changes in Agricultural Research

- Technologies should be generated based on target group need assessment.
- Farmers will be involved in technology generation.
- Demand-driven, location specific technologies generated.

- Collaboration between public and private research system will be established.
- Encouragement of patent rights

Required Changes in Agricultural Teaching

Agricultural teaching should be modified based on current needs of farming community. Imparting education become more competent and commercial oriented.

- Imparting recent scientific advances.
- Providing market research and market intelligence related education.
- Enhancing demonstration skills.
- Making competent enough to take up private agri-clinics.
- Providing rich rural and farming experience.
- Providing practical experience in the agro-based industries and commercial agri-firms.
- Inculcating competence to professionally manage the agricultural input agencies.
- Competence in management of information systems

Strategies for privatizing extension

● Commercialization of extension services

Complex, demand driven technologies in the public extension system should be provided for particular cost.

● Introducing “Contract Extension System”

Public extension system can make contract with registered private agricultural consultancy agencies to transfer the agricultural technology.

● **Introducing Share Cropping System**

Private/Public extension agents are provided with remuneration in the form of share crop. It will increase the extension personnel's accountability and commitment to the service.

● **Giving partnership rights and more responsibility to private sector and NGOs.**

Private sector and NGOs are entering in a big way in recent years to provide agricultural consultancy. They may be given more responsibility in agricultural technology transfer.

● **Gradual withdrawal of public extension system**

Gradual withdrawal can be done in two ways: Area wise and or Commodity wise. Areas having favorable environment like high soil fertility, high irrigation potential, satisfactory infrastructure facilities and commercial crop growing areas. Commodities which provide high profit to farmers in such cases extension service responsibility can be given to private sector.

● **Creating and strengthening farmers groups and co-operatives**

Through farmer groups, co-operatives, extension agents are appointed and cost will be shared by members. For this purpose existing village- co-operatives, clubs, mahila mandals and water management committees are used (Saravanan and Shivalinge Gowda, 2000a).

Conclusion

Recent developments such as, financial constraint of government, disappointing performance of public extension system and commercialization of agriculture will make privatization of agricultural extension service become unavoidable. Good decisions can be made by weighing the assumptions of privatization.

Intervention of private extension along with public extension service will increase the efficiency of agricultural production system. Private extension will make extension service become more decentralized, farmer participatory, flexible and provides ownership rights to clients. Co-existence of public and private extension in new millennium provides appropriate extension approach and to make Indian farming in the 21st century become more efficient and effective, it is essential to introduce the changes in agricultural research and teaching and also intervention of private extension along with public extension for overall development of the country.

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