

SCOPE OF PRIVATE EXTENSION IN INDIAN CONTEXT

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The challenges in the agricultural sector are quite different from those met in the previous decades. The recent trends in globalization and increased interest in corporate farming should not be allowed to jeopardize the role of millions of small and marginal farmers. Their interest should be protected. Of late, the privatization of extension services has been one of the important additions to the international experimentation on privatisation. It has become the buzz words of extension planning in many quarters including the world bank.

Extension services which were funded mostly by public till now are increasingly becoming private. The transformation of agriculture in several developed and developing countries from subsistence to commercialized has drawn the attention to the private sector to the noble area of extension services. Moreover, governments have also reluctantly started to understand the real limits of their ability to manage manpower-intensive decentralised functions like agricultural extension. In order to face the challenges of fast growing knowledge industry in agriculture different countries are involved in doing experiment with privatization of extension service. The word private extension has been perceived by different expert in different ways as :

Bloome (1993) indicated that private extension involves any personnel in the private sector which delivers advisory services in the areas of agriculture and is seen as an alternative to public extension.

Some other experts say that, privatization or commercialisation of public extension services means the change from providing a free public service financed by government to a commercial operation financed by user charges or cost recovery.

In India, extension is not merely transfer of technology or information but also deals with human resources development. Swanson and Clarr (1984) observed that "Extension needs to teach farmers the management and decision making skills, help rural people develop leadership and organisation skills; enabling them to organise better, operate and/or participate in co-operative credit societies and other support organisations.

After understanding the meaning of private extension, question arises why do we or our farmers need this new system of extension service. Readers of this article will get answer of this question in following pages.

Need of Private Extension :

The present agricultural extension system, a highly compartmentalized with several inherent weaknesses focuses the need on the new agricultural extension system which shall break away from these shackles and it should geared to meet the needs of 'information hungry' farmers especially the educated women and youth engaged in the agricultural activities.

The educated youth are craving for information which will enrich their knowledge and fetch more dividends. The concept of "precision farming" which is backed by "knowledge-intensive" farming practices

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emphasizes the need for launching the private extension (Venkataramani, 2000).

John Farrington (1994), an expert from London based Overseas Development Institute, in his article entitled "Public Sector Agricultural Extension : Is There Life After Structural Adjustment?" has given following important arguments for making shift from public sector extension service to private extension service.

1. Fiscal Crisis—Many less developed country's government have for years found it difficult to make adequate resources available for Agril. Extension. In India, for instance, some 20% of village extensionist posts are vacant at any one time, mostly in the more remote areas where it is difficult to keep government staff in post. Financial pressures have, in turn, led to the search for ways of reducing public sector costs by e.g. privatizing parts of the extension services, having farmers pay government for some services, and cost-sharing arrangements between government and NGOs or Farmers' Organizations.

2. Poor Performance—Public extension system has methodological weaknesses (World Bank has assessed these weaknesses in T&V system), e.g. women farmers are neglected, contact farmer's mechanism of T&V rarely works as well as intended, and group organization has rarely been a recognized component of extensionists' activities. For all these reasons, the impact of T&V on human resource development has generally been weak (Purcell, 1993).

3. Changing Contexts and Opportunities—Due to improved transport network NGOs are reaching to remote villages. Mass media-radio and television are also available in the village. Sherief *et al.* (1993) have reported that government services are not among the top primary sources of information for many farmers.

4. Untrained and Ill-trained Extension worker—Extension workers in public

extension service are not well trained to tackle the problems of rural people. Extension should no longer be a dumping ground for school drop outs. Rather, public extension services should be provided by a well-trained corps of competent cadres. As extension agents become more competent, they should, when possible, be encouraged to join the private sector.

5. Experience—shows that diversity is the only way to address everchanging conditions and various categories of users. Since users are more likely to seek advice from more competent sources, a natural selection process (i.e. Public Vs Private Extension) is likely to result in which only the best sources are retained.

Private Extension : Cases from Different Countries :

1. The Agricultural Development and Advisory Service (ADAS) of the Ministry of Agriculture, Fisheries and Food in **Britain** charges fee for services of direct benefit to the clients, but not for the services which spread benefit across the society.
2. In **Norway**, while the government pay the salary, the "farmers' circle" pay the operational expenses (at 50:50 cost sharing agreement).
3. **Mexico** is planning to shift the cost of extension services (atleast half) to farmers' group in the irrigated areas (Antholt, 1992).
4. The **Australian** state of **Tasmania** has the fee for extension activity.
5. Rivera (1991) has mentioned that in **Korea** and **Taiwan** they have the co-operative structure of extension (government and farmers' associations).
6. In the highlands of **Ecuador**, extension agents share crop with farmers for a profit (Van Crowder, 1991).
7. What is quite remarkable in the case of **China** is the bold introduction of the

extension contract system and the rapid shift of extension from the large agro-complexes to the many small households.

8. In **Europe**, the trend over the past decade has been for the gradual disengagement of the public sector from extension.
9. In **The Netherlands**, the farmers pay for advice and get technical recommendations from the agriculture industry and agribusinesses. The privatization of extension, which was initiated in 1986, is part of a large scale reorganization that aims at cutting down costs to the Government.
10. In **France**, Chambers of Agriculture were created in the early 1950's with Government financial support. The CAs currently participate in extension by meeting upto 50% of the cost of the technicians hired by farmers' groups. Cooperatives and private farm-input suppliers are also in the business of extension. From 1958 to 1966, the Government promoted the further creation of farmers' groups and co-operatives while starting to divest itself from extension. As a result, public extension is no longer prevalent.
11. An interesting programme of privatization was initiated in **Portugal** in late 1991. The purpose was for the government to gradually privatize the agriculture ministry's traditional functions with the exception of research and experimental agriculture. As in **Taiwan, Tunisia** and a few other countries, some co-operatives and associations in Portugal are recruiting their own technical experts. Since 1988, about 400 civil servants have left the public sector to become employees of private farming organizations and to work directly for co-operatives.
12. In **Chile**, efforts started as early as the 1920s to replace public technical assistance to farmers with private services. In 1962, the Agricultural Development

Institute (INDAP) was created as an agency within the Ministry of Agriculture with a mandate to raise small-scale farmers' living standards. In the early 1980s, the Agricultural Extension Service was discontinued and replaced by a Private Technical Assistance (ATE) Scheme.

13. In **Australia** and **Newzealand**, the public and private systems co-exists. Another parallel system exists in **Uruguay**, where a private technical assistance service was developed in 1962 to coexist with government-provided services without significant duplications.

Private Extension : A strategy to meet the needs of information hungry farmers :

The private extension can be run by a group of young agricultural professionals who have adequate training in agricultural extension. It can be taken up as a venture capital exercise by enterprising professionals and can fruitfully employ several agricultural graduates.

Being a private venture, the new system should focus attention on providing all the information needs of farmers which are not addressed by the present system. A committed and systematic approach to organize farmer's groups and assembling various technologies could prove to be rewarding.

The officers should be able to cater to the needs of about 10 villages or an active group of 1000 farmers who will pay a monthly subscription. The farmers should be convinced that they are paying for efficient and productive services and supplies.

Potential in irrigated areas and organization of self help groups are other strategies. Empowerment of small and marginal farmers through cost effective intensive use of electronic communication technologies is one of the most important

possibilities. The information highway will prove to be an ideal tool for achieving knowledge and skill development among the farmers.

Ways Through Which Farmers Can Contribute—Extension stalwarts Van den Ban and Hawkins (1988) in their book entitled “Agricultural Extension” have suggested following ways in which farmers can contribute to the costs of a privatized extension service.

1. They can pay a fee for each visit an extension agent makes to their farms or for the each service.
2. A levy can be charged on certain agricultural products from which agricultural research and extension are financed.
3. The costs can be met from the membership fees paid to a farmers’ association. The problem to this approach is that all the farmers may not be the members of the association.
4. The extension service can receive a specified portion of the extra income a farmer earns as a result of advice given by the extension agent, for example, from the yield increase greater than the regional average.
5. “Use now and pay later” concept as suggested by Venkataramani (2000) can also be used. It has been a general experience that farmers do not hesitate to pay a fee for any additional returns they get at the time of harvest. For, it is always “harvesting is believing” for them.

Advantages of Private Extension :

In the words of Van den Ban and Hawkins (1998) this new system of extension will be advantageous to farmers in following ways.

Advice from a privatized system may be more effective because the farmer can select an adviser who is best able to help.

The farmer also is likely to prepare questions more carefully in order to make best

use of the adviser’s time for which the farmer has to pay.

The farmer might be more inclined to follow the advice which he or she has paid for in the first place.

According to Antholt (1992), extension should require some support even if it is only a proportion of total costs from those who accrue benefit. This is important for three reasons.

(i) It gives the beneficiaries ownerships and drawing rights on extension.

(ii) It takes away part of the financial pressures of the central government.

(iii) With ownership and responsibility lying within the clients, the basis for more demand-driven extension service is established.

Once farming becomes a paying proposition, there will be more and more educated youth getting into active participation. The spin-off of this process will generate more jobs in a healthy environment and also contribute to reversing the trend of rural-urban migration (Venkataramani, 2000).

Private Extension : Some critical observations :

Bloome (1993) observed that efforts to divide the benefits of extension programme into public and private programmes are not helpful in pursuing the interest of the public. The “fee for extension” experience of Tasmania and New Zealand not only failed to generate significant cost recovery in Tasmania (not even 5% revenue even after 10 years) but also resulted in less personal contact between themselves and farmers, thereby reducing the effectiveness. In New Zealand the number of clientele had fallen by more than 50 per cent with the onset of fee-based policy.

In Indian context, the ability of the farmers to pay for the extension service is very poor. Despite providing free of cost extension services, about 70 to 75 per cent research technologies are not reaching to the farmers’

field. What would be the fate of the remaining 25 to 30 per cent technologies that reach if extension is privatized.

It is being discussed among extension fraternity that if extension services will be privatized, Extension personnel's interaction with farmers will be restricted and access to the free flow of information with the agricultural knowledge system will be hampered. The scientists will be deprived of the farmers' valuable information, ideas and innovations. Moreover, driven by the interests of those clients who are capable to pay the bills, it will be no longer an agency of public interest as a whole, and widens the socio-economic inequality (Sharma and Khurana, 1998). People fear that the educational role played by the public extension services may be lost by privatization and empowerment of the farming community by organizing, motivating and guiding farmers will also be badly affected and thereby extension losing its motto of public welfare (Vashistha, 1998).

Private Extension : Scope in Indian Context :

In the present day context of "privitization spree", privitization of farm extension also assumes great significance. It has been demonstrated time and again that private enterprises are far more efficient than governmental agencies in delivering goods and services. It is also well known that farmers do not hesitate to pay for valuable information, fail-proof services and delivery mechanisms.

Information is a critical input for agricultural development as the other key inputs like credit, seed, nutrients, water, etc. (Venkataramani, 2000). Information can be efficiently converted into economically rewarding opportunities through private sector which has efficiency, effectiveness, relevance and responsiveness to client's need.

Privatization is under implementation in the countries like the Netherlands, Australia,

U.K., and New Zealand. But all these countries are developed ones. In India, more than 70 per cent of the operational farm holdings are small and marginal (less than 2 ha). The ability of the farmers to pay for the extension services is very poor. Moreover, 70 per cent of the net sown area is under rainfed, where the farmers are mostly small, marginal or resource poor. But the situation is qualitatively different in irrigated areas where the farmers are relatively prosperous. Even at present the big farmers especially in commercial crops are receiving advices and other extension services from private consultancy or transfer of technology firms. This is common in high value crops like grapes, sugarcane, cardamom and ornamental plants. It is advisable for the public extension system of these areas and crops to reorient it's strategies accordingly to recover the cost and partial withdrawal (Sulaiman and Gadewar, 1994).

The extension system should make the earnest efforts to organize the farmers' groups and motivate and direct them to become active members of information acquisition system so that they can demand appropriate and best extension services at cost sharing basis.

Experiment with privatization is going on. Denmark has adopted fully private extension service whereas Greece has adopted fully public extension service (Ameur, 1994). There are countries which are continuing with Public & Private (both) extension service. What should we do in India? Should we adopt fully private or fully public extension service? One more alternative is to make our extension services partly public and partly private. To our mind it would be better to choose the last alternative (i.e. partly public and partly private extension service), because in India a large number of farmers are small and marginal. Somehow they are managing their bread and butter (meal for two times).

Majority of the farmers are not able to purchase good quality of food. How can we charge fee for advice from them. Of course, for farmers growing Rubber, Tea, Coffee, Cotton, Oil Palm we can introduce private extension service. We can also take charges from large farmers having commercial farming orientation. There are many large dairy farmers who can pay for private extension service.

In these contexts, the crucial issues that should be considered are the locations, the

crops and the groups with which it is possible and mechanisms to safeguard the interest of the farmers especially of small and marginal farmers who are operating under harsh conditions (Sulaiman and Gadewar, 1994).

In conclusion it can be said that we should neither go for fully private extension service nor fully public extension service. We should make our extension service partly private which will give healthy competition to government extension service and will also solve the financial problem of government.

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