

PAYING BEHAVIOUR OF FARMERS TOWARDS PRIVATE EXTENSION SERVICES

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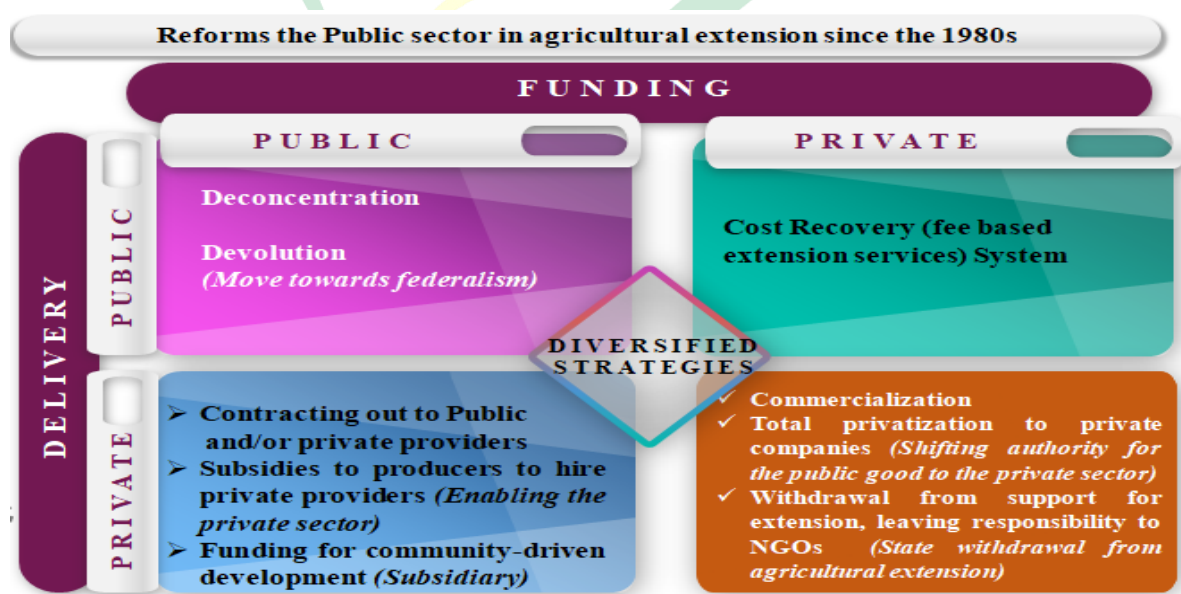
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ARTICLE ID: 042

Introduction

Extension services has been traditionally funded, managed and delivered by the public sector in all developing countries. In India, budgetary crises of 1990s squeezed the monopoly of public-sector due to not doing enough, not doing it well in proper direction in time and for not being relevant which resulted a close scrutiny of extension services and initiate to think for new arrangements in extension system. The Government permitted the private and voluntary organizations in selected sections for outreached areas in the country. Private extension services have their own strategy to provide efficient services to the varied farmers is now finding acceptance in developing countries, including India. Government has started Public Private Partnership approach in selected sections of agricultural sector through ATMA. Considering the concept of decentralization by the privatize extension services, the public sector has incorporated them in group approaches.



Various public sector agricultural extension reforms have occurred since the mid-1980s. Fig. 1 categorizes these reforms into four main categories. **The First upper-left quadrant shows funding from Public and Delivery to Public.** In this quadrant two strategies are sited. First one is Deconcentration and second one is Devolution. Deconcentration is an example of shifting authority to branch offices or regional institutes. Devolution is when the funding and delivery of extension services is shifted to the state level.

In the Second lower-left quadrant funding from Public and Delivery to Private. There are three strategies cited. In the first, it is contracting out to Public and/or Private providers. The central authority selects to provide subsidies to small farmers on condition of their contracting with private sector providers for extension services. In the second, Subsidies to producers to hire private providers. The central authority contracts directly with private entities to provide services to producers. These first two strategies are aimed to enabling the private sector for extension services. The third strategy is funding for community-driven development.

In the **upper-right quadrant funding is from Private and Delivery to Public.** It is the strategy of fee-based extension service. In cost-recovery systems government and private organizations charge for extension information, and extension workers work with farmers on a fee-based contract. In **lower-right quadrant funding is from Private and delivery to also private.** It shows the totally commercialization or privatization of public sector agricultural extension services. In which the authority of public goods are shifted to the private sector. **The central rectangle** in figure refers to diversified strategies. A diversified strategy means working with multiple "mixed" approaches. Governments have adopted so many "mix" approaches of extension systems, and it is likely that such mixed arrangements will continue in future also.

Fig.2 Services providing organizations/institutions in India

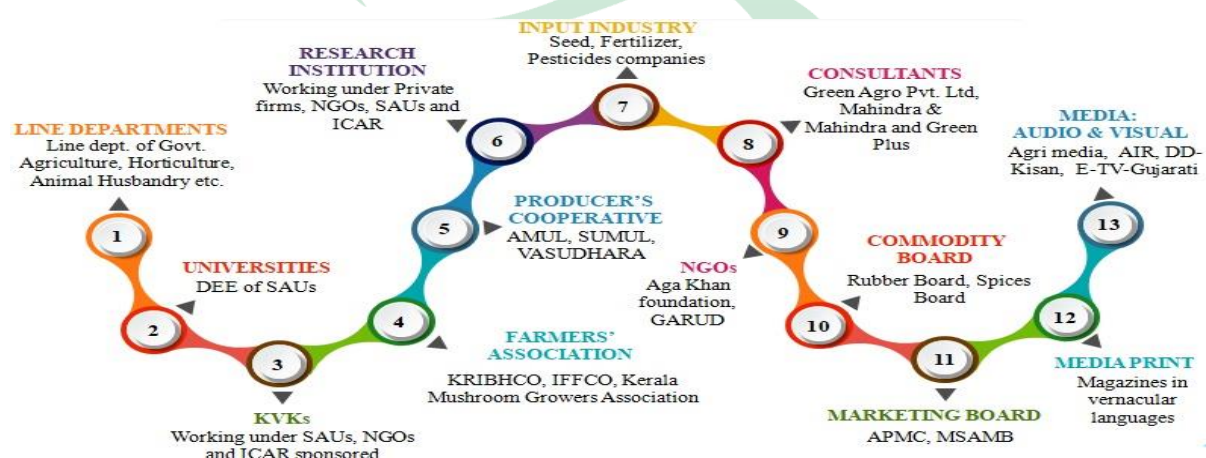


Fig.3 Types of private extension service providers, their objectives and target markets

1	2	3	4	5
Farmers Association	Agro-marketing & Agro-processors units	Input Suppliers	Consultancy Firms	Publishing Companies
FIRM'S OBJECTIVE	FIRM'S OBJECTIVE	FIRM'S OBJECTIVE	FIRM'S OBJECTIVE	FIRM'S OBJECTIVE
•Increase output with quantity and quality •Increase member farmers' incomes	Inputs supply time with trustworthiness, quality, volume to avoid risk	Product promotion, Ensure proper use, Preserve market share	Fee for services	Return from product sales
TARGET MARKET	TARGET MARKET	TARGET MARKET	TARGET MARKET	TARGET MARKET
Member farmers	Contract growers	All farmers	Mostly big and medium scale farmers	All farming community

Difference between Public Extension and Private Extension

Sr.No	Attributes	Public extension	Private extension
1	Accessibility	Difficult	Easy and anytime
2	Frequency of contact	Occasional	At least once a week
3	Timeliness	Not in time	Timely
4	Practical relevance of the advice	Not so relevant	Practical field specific
5	Topics of discussion	Registration of farms, regulations, awareness creation on banned antibiotics	All aspects of farming including inputs, services and market
6	Follow up	Rarely	Regularly
7	Extension approach	Mass and group contact	Individual face-to-face contact
8	Perceived subject-matter skill	Poor, not updating	Very good and updating regularly
9	Effectiveness	Need to be improvement	Effective

Reasons for the prominence of private extension services in farming community

- Inability of Government to spare adequately fund to extension functionaries
- Non-availability of funds
- Dissatisfaction with available extension services
- Gradual change of technology from Public goods to private goods



- Surpluses production in developed countries
- Specific demands of farmer

