

Privatization of extension services

Privatization of extension

Promoting private extension and privatization of extension services are two approaches used by national governments worldwide to improve the delivery of extension services.

Private extension is not a single entity, but includes a wide range of service providers.

Private Extension: entirely private and they use their own revenues to promote technologies, inputs and services. Most of the private profit oriented actors belong to this category.

Privatization of extension services: consists of organizations that receive funds from government and other donors for implementing extension programmes and they are mostly of the "not-for profit" type.

- **private extension indicates the extension activities of private individuals or organizations,**
- **privatizations is a public policy decision taken by the Government to reduce its role in an activity and encourages private sector to take up these roles.**

- **Privatization of extension can take place broadly in two ways:**

- i) Dismantling privatization**
- ii) Controlled privatization**

Dismantling Privatization

- **In this case, public sector extension organization is closed down or abandoned and the services of the existing staff are terminated.**
- **Several European countries, as well as Australia and New Zealand, have largely privatized their public extension system.**

Controlled Privatization

- The public sector extension agency is transformed to become more efficient and effective by changing ownership, governance and funding pattern.
- The options include:
 - i) Contracting: Government contracts the private companies or the NGOs to offer specific extension services. (e.g.: Government contracting experienced and well recognized NGOs for training officials and farmers on new technologies/approaches such as Integrated Pest Management and Watershed Management.

ii) Franchise agreements: Government grants private entities authority to provide a particular service. Users receive and pay for the services directly, but the government may monitor performance (e.g.: Use of parapets to offer AI services and animal vaccinations).

Private extension initiatives in India

- **Many of the private extension initiatives in India emerged without any active state support.**
- **The private extension service providers in agricultural extension include:**
 - 1. Input agencies (dealing with seeds, fertilisers, pesticides, equipments).**
 - 2. Large agri-business firms (involved in manufacture and sale of inputs and**

- 3. Purchase of outputs.**
- 4. Farmer organisations & producer cooperatives.**
- 5. Non-governmental organisations (NGOs).**
- 6. Media (print, radio and television) and web based knowledge providers.**
- 7. Financial agencies involved in rural credit delivery.**
- 8. Consultancy services.**

Advantages of privatization

- **Reduces economic burden on Government**
- **Increases efficiency of extensions services**
- **Increases accountability of extension agents and increases the competency of research system**

- **Sulaiman and Gadewar (1994) Major disadvantages of extension privatisation :**
 - i) contradictory message flow**
 - ii) negative impact on sustainability**
 - iii) sidelined educational role**
 - iv) lesser contact between farmers and extension**
 - v) high cost of technologies**
 - vi) increase in regional imbalances**

Some successful examples

ITC's e-Chaupal:

- **June 2000,**
- **One of the largest Internet-based interventions in rural India.**
- **Provides services to more than 3.5 million farmers growing a range of crops - soya bean, coffee, wheat, rice, pulses, shrimp.**
- **Spread in over**
 - **31,000 villages**
 - **5200 kiosks**
 - **06 states (Madhya Pradesh, Karnataka, Andhra Pradesh, Uttar Pradesh, Maharashtra and Rajasthan)**

Mahindra Shubh Labh Company Ltd.

- **Mahindra & Mahindra, has set up about 50 agri-centres.**
- **One-stop-shops for the farmers.**
- **These centers offer agri-consultancy, equipment rental and distribution and retailing of a wide range of inputs.**
- **Also facilitate crop loan disbursal through a tie up with ICICI.**
- **Mahindra Shubh Labh's package of services**
 - **Access to scientific farming practices,**
 - **Mechanized operations,**
 - **Easy access to finance**
 - **Quality inputs including seeds and chemicals.**

Tata Kisan Sansar:

- **A chain of one-stop resource centers that provide end-to-end agri solutions for farmers.**
- **Provides the latest techniques and modern farming concepts.**
- **Operational in Punjab, Uttar Pradesh and Haryana**
- **To avail TKS services, a farmer can either become a member of "Tata Kisan Pariwar" or pay selectively for the services.**

Tarahaat.com Portal:

- **1999**
- **An e-business created to bring the benefits of the Internet to India's rural population**
- **Partnership between Development Alternatives (DA), an NGO focused on promoting sustainable development in India, and its rural marketing arm, Technology and Action for Rural Advancement (TARA).**
- **The business combines a mother portal, TARA haat.com, with a network of franchised village Internet centers, or TARA Kendra.**

Conclusion

- **Public sector extension is not totally free from limitations**
- **Makes extension service providers more accountable**
- **In a healthy competition between public and private extension the end user (Farmer) should be the beneficiary**

REFERENCE

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