

Farmers' Preferences towards Privatization of Agricultural Extension Services

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Introduction

The increasing globalization of agriculture and integration of a nation's economy with the global economy has comprehensively changed the existing farm scenario. Structural and functional changes in agriculture extension services are unavoidable in view of demands and challenges of the 21st century. In the present day context of globalization, liberalization and privatization, a paradigm shift has occurred in the world agricultural sector. It has increased the responsibility of extension functionaries to cater to the changing needs of the diverse farmers. Increasing budgetary crisis and fiscal deficits have forced to look into alternative ways for financing public sector agricultural extension services.

India's extension system is one of the largest nationwide networks, catering to the needs of the farming community covering allied vocations. The extension focus in the future would be on efficiency, cost of production, networking, market-led extension and cyber applications in agriculture. These challenges will require suitable and substantial modifications and adjustments in the role and responsibility of the present extension system. The changing role, limitations of resources and functional constraints in the public extension system have created a gap. This space vacated by the public sector extension system needs to be filled up by the private sector.

What is Privatization?

The word "Privatization" broadly refers to a process by which the government gradually reduces its role in an activity or service delivery and encourages private sector participation to take up these roles. It means the change from providing free services financed by the government to a commercial / private institution self financed by the users on the basis of cost recovery.

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In our country, privatization has already taken place in many sectors including agriculture, like seed production, plantation crops and floriculture. The need is to widen the scope and scale of privatization. However, we need to exercise caution in this paradigm shift as there is a lot of heterogeneity in the farming system. Moreover, Indian Agriculture is largely fragmented. If national level proposals on privatization of extension are accepted, then there arises a need for ascertaining the preferences of the farming community towards the scale and type of privatization, regions, crops, types of farmers etc. since they are the ultimate target who would be hit by the hitherto discussed privatization of extension services.

Objectives

Based on the aforementioned facts and orientation, the present study was undertaken with the following objectives:

1. To ascertain farmer's preferences towards privatization of Agricultural Extension Services (AES)
2. To develop a profile of farmers preferring privatization of AES
3. To find out the relationship between selected socio-personal variables and farmer's preferences towards private extension services.

Methodology

The study was conducted in the Udham Singh Nagar district of Uttarakhand, following an exploratory and descriptive research design. Following proportionate random sampling, 90 farmers were selected from 5 villages of Gadarpur block of the district. This block was purposively selected as the area has concentration of large farmers with average land holding of more than 10 acres. A pre-tested structured interview schedule was used for data collection. Appropriate and standard statistical measures were applied for analysis of data.

Results and Discussion

The findings of the study are presented here under different sub-heads.

1. Preference of Farmers towards Privatization

Preference of farmers towards privatization of agricultural extension services is one of crucial factors which will determine the pace and extent of privatization. An attempt was made to find out whether the farmers prefer privatization of agricultural extension

services. Consequently, a profile of those farmers who prefer or do not prefer privatization was also developed. The results obtained are presented in Table 1.

Table 1. Distribution of Respondents according to Preference

Sl. No.	Preference	No. of Respondents (N=90)
1.	Prefer Privatization	35 (38.89%)
2.	Do not prefer Privatization	55 (61.11%)

It is evident from the results presented in Table 1 that only 38.89 percent of the respondents expressed their preference for privatization and the remaining 61.61% did not prefer privatization. Hence, we may conclude that a majority of farmers included in the study sample do not prefer privatization of agricultural extension services.

In fact, agricultural extension has come to be so firmly associated with the public sector that any talk of privatisation looks like thoughtless abandonment of broad-based agricultural development besides appearing as a mere pretence for a sell-out to multinational corporates and capitalists. The word 'privatisation' is so stereotyped in the public mindset that its mere mention raises the eyebrows of all – be it farmers, political leaders or policy makers. Besides, it is a source of much confusion. It is also felt that private extension service providers/ agencies may exploit the farmers. The past experience of farmers in case of seeds, pesticides and chemicals is often cited as an example.

However, in order to bring about any significant increase in agricultural production and productivity, we need to think of increasing the efficiency and competitiveness of our agriculture sector in a globally competitive agrarian economy. In India, privatisation has taken place in many sectors and has produced good results. Across the world, agricultural extension services have been privatized in many developed countries such as Netherlands, New Zealand, Australia, UK and USA. If Indian agriculture has to sustain and maintain its self sufficiency in food production, then sooner or later, it has to introduce privatisation in agriculture, albeit selectively. The imperatives of ever-increasing globalisation of agriculture would force the farming community as well as policy makers to increase the agricultural productivity and efficiency and emphasise on optimization of natural resources. As a majority of land holdings in India as well as in Uttarakhand are fragmented, small and marginal farmers cannot be expected to contribute substantially to productivity enhancement, and so would still be covered by the public extension system. However, the large farmers can afford to pay for the extension services and increase their productivity. The findings of this study substantiate this.

2. Profile of Farmers who prefer/ do not prefer Privatization of Extension

An attempt was made to develop a profile of farmers who prefer privatization and those who do not prefer privatization. The results are presented in Table 2.

Table 2. Profile of Farmers preferring Privatization of AES

Variables		Preference for Privatization	
		Yes	No
Age	Min	21 years	21 years
	Max	58 years	40 years
	Average	39 years	43 years
Education	Min	8th	Illiterate
	Max	graduation	Intermediate
	Average	10th standard	6th Standard
Land holding	Min	7 Acres	5 Acres
	Max	14 Acres	10 Acres
	Average	11.42 Acres	7.5 Acres
Annual income	Min	Rs. 56,000	Rs. 40,000
	Max	Rs. 1.5 Lakh	Rs. 90,000
	verage	Rs. 94,800	Rs. 65,400
Farming experience	Min	10 years	8 years
	Max	23 years	24 years
	Average	16 years	16 years
Occupation	Farming	74.18%	52.73%
	Farming and services	22.86%	12.72%
	Farming and business	2.86%	34.55%

It is evident from Table 2 that farmers who prefer private extension services are younger in age, have higher educational level, high land holding, high average annual income than those farmers who do not prefer privatization. Further, farmers who prefer privatization have more farming experience and have 'farming' as their only profession.

The farmers, who had large land holding and high income, were willing to pay for the extension services, though selectively. The remaining respondents still tend to depend on the government sector. They did not prefer privatization either due to low income, small size of landholding or their perceptions that private agencies do not

usually apply their resources to the food crops that are fundamental to farmers, but on those farmers who produce cash crops. Private agencies give little attention to low input sustainable agricultural technologies including environmental and resource conservation technologies.

The perceived risks and uncertainties associated with switching-over to a new extension system can only be borne by the young, educated and entrepreneurial class among the farming community. Besides, it requires a high degree of achievement motivation, innovativeness and cosmopolitaness; and involves transition from resource-based to technology-based agriculture. Agriculture has to be viewed as a profitable business enterprise, and not just a way of rural living. It requires application of modern agricultural technology supported by an innovative, accessible and affordable agricultural information system which is responsive to the knowledge needs of the farmers who see themselves as agripreneurs.

3. Preferred Areas for Privatization

Once farmers expressed their opinion about privatization, they were asked to indicate the areas which they would prefer for privatization (fully or partly). Preference of areas for privatization is related to the choice and interest of the respondents regarding various information needs. The results obtained are given in Table 3.

It is evident from Table 3 that preferred areas for full privatization as expressed by the respondents were disease diagnosis/control measures (57.78 per cent) followed by seed supplies (55.56 per cent). Further, 50 per cent of the respondents expressed their preference for advice on hybrid seeds followed by information on loans, subsidies and other assistance (44.44 per cent). Almost an equal number of respondents (38.89 per cent) prefer advice to solve specific problems in the field and weed control/management from private agencies. 27.78 percent respondents prefer advice on agronomic practices and training programmes on new technologies and 28.89 percent of the respondents prefer advice on farm implements and marketing from private agencies. Other areas preferred for privatization included post-harvest operations (16.67 per cent), irrigation technology (11.11 per cent), dairy (11.11 per cent) and poultry (5.56 per cent). As regards partial privatization, 94 per cent of the respondents mentioned poultry followed by dairying and irrigation technology (about 89 per cent each), Post harvest operation (83.3 percent). Further, agronomic practices, training on new technologies and advice on marketing prices were also mentioned for part-privatization by about 70 per cent of the respondents.

Little attention has been given to developing a cadre of well qualified specialists with both technical competence and the professional skills needed to transfer their knowledge and skills to extension field staff and in turn to the farmer (Anon, 1999).

Public extension workers are frequently involved to protect specific interest groups, with no explanation of how and why the interest of this group transcends all others. Private extension organizations can attempt to bring about changes in all sections of the society through "spontaneous" development which will be more sustainable. On the other hand, farming experience, mass media ownership and frequency of use of mass media exhibited a positive and non significant relationship with preference of farmers towards privatization of extension services.

It may be concluded that if the farming experience, mass media ownership, frequency of use of mass media increase, the preference of farmers towards privatization may also increase. Thus, the preference of farmers towards privatization of extension services increased among those farmers having greater mass media exposure.

Conclusion

Agriculture continues to be the backbone of the Indian economy. Although, Green Revolution has contributed extensively in making the country self reliant in food production, the anxieties about recent stagnation in food production has forced policy makers and scientists to look for alternative solutions. Producing more from gradually decreasing area under cultivation is a challenging job. The imperatives of a globally competitive agrarian economy have complicated the problems further. India's agricultural extension system is one of the world's largest nationwide networks. But it is beset with problems of fiscal and budgetary constraints, inefficiency and commitment. Privatization of the agricultural extension system, wherein farmers pay for the services, holds promise. Private sector participation in agriculture services has already begun, and this will gradually expand the role, services and coverage area.

The study results indicate that farmers would prefer privatization of extension services, and that too, in selected areas which are critical for productivity enhancement. Privatization in areas such as commercial crops, high value cash crops and some technical services would be most preferred. This implies that, farmers in general have realized the advantages of private interventions in those areas as indicated above. Hence, there is scope for intervention of private agencies for extending and expanding extension services in technical areas (high skill areas) in irrigated and assured rainfall areas. Further, farmers have realized that the areas such as seed production, cultivation of horticultural crops, high value cash crops and irrigation, etc. are the areas, through

which profit can be maximized by taking technical service from private agencies and even on payment. Hence, private companies may offer technical services in these areas on nominal charge for their services.

Consequently, various business houses providing agri-input agencies such as Tata (Tata Kisan Vikas Kendras), ITC (e-choupal), Relaince (Haryali Stores) have entered in the field and started providing advisory services along with agri-inputs to farmers in selected states. Given the focus that the phenomena of privatisation is receiving in the country, the number of these private agencies would be increasing, bringing thereby a revolutionary change in the way extension is viewed and perceived. Hopefully, this will spur the farmers to enhance productivity as well production, which has decelerated in the current decade, leading to another green revolution in the country.

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