The Continuing Role of Government in Pluralistic Extension Systems

William M. Rivera, Associate Professor
College of Agriculture and Natural Resources
University of Maryland
College Park, MD
E-mail: wr@umd.edu

Gary Alex, International Consultant
E-mail: Galex@worldbank.org

Abstract

This paper argues that only the public sector can effectively and efficiently carry out certain functions and that indeed, only national governments can assume those responsibilities that affect the state as a whole. For example, only governments—national governments or state/provincial governments in decentralized countries—can assume responsibility for ensuring that extension services deliver needed public goods. And only governments are well placed to promote increased institutional pluralism in extension service provision and oversee the quality enhancement and assurance necessary for rural development.

Keywords: Public Sector Reform, Private Sector Reform, Role of Government, Institutional Pluralism, Extension, Extension Reform, Rural Development

Introduction

Contemporary thinking on extension often downplays the role of the public sector—especially of national governments—in agricultural and rural extension activities. This paper introduces a note of caution, arguing that only the public sector can carry out certain functions and that, indeed, only national governments can assume those responsibilities that affect the state as a whole.

Most donor investments in extension stress the limitations of the public sector and encourage governments to support private provision of public goods and services. Nonetheless, international organizations recognize that a pluralistic system of complementary extension services does not exclude the state (World Bank, 1997) and that the public sector has a special role to perform in small farm development when this role is not fostered by the private sector.

Indeed, when performed successfully this special role can be as important for economic development as for social equity (Bennett, 1994; Cary, 1998; IICA, 1997; Rivera, 1997; Rivera & Cary, 1997; Swanson, 1997). Some argued early on (Rivera & Gustafson, 1991) that the impact of multi-institutional activities would create, not diminish, new roles and responsibilities for public sector agricultural extension.

Scope of Public Sector Roles in Extension

Extension is—conceptually and in practice—more than it used to be. Its function and tasks are increasingly assumed by multiple public and private organizations. Extension is now seen to consist of a range of services providing knowledge and information to rural people to enable them to modify their behavior and use of technologies to improve their livelihoods. These services are recognized to be a
function of both public and private agencies and institutions, and it has become clear that extension is not necessarily a government program, but rather the complex set of institutions whereby rural people obtain new knowledge and information. No matter what the changes in funding or management, public sector extension alone would never attend the entire demand for extension services by the world’s farmers (Maalouf, Contado, & Adhikarya, 1991).

The complexity of demands on extension has notably increased. In high-income as well as middle- and low-income countries, governments have started shifting their focus from that of increasing total production of basic foodstuffs to that of confronting related rural issues, such as the management of natural resources, rural development, the environment, and health. Both public and private extension institutions are important in responding to these critical public interest issues. Research in Bolivia, Colombia, India, Nicaragua, Uganda and Vietnam suggests that much broader, and more carefully differentiated strategies are required if extension is to reach its potential to reduce poverty among the rural poor (Farrington, Christoplos, Kidd, & Beckman, 2002).

With the widespread shift towards institutional pluralism in extension systems, the national government’s role in extension will not be the same in every country and will likely differ even between countries employing similar strategic approaches. Still, a number of factors mandate a continuing government involvement in extension systems. Some are essential functions for which national and local governments rely on extension as a key implementing mechanism; others are inherently government functions necessary for efficient and effective delivery of extension services by either public or private sector agencies. Critical government-extension interdependencies are summarized in Table 1.

Table 1

<table>
<thead>
<tr>
<th>Interdependence</th>
<th>Function</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government needs extension for:</td>
<td>Public policy implementation</td>
<td>Implementation of public policies that enhance the public good often requires the education and mobilization of rural people to change behavior—an objective for which extension may be the best or only tool available to national governments.</td>
</tr>
<tr>
<td>Information collection</td>
<td></td>
<td>Information on agricultural conditions and rural populations can often be collected most easily and accurately by extension agents already active in the field and knowledgeable about rural areas.</td>
</tr>
<tr>
<td>Dealing with emerging concerns</td>
<td></td>
<td>Diverse new issues emerge on the extension agenda as a result of governments having to address new socioeconomic, political and technical developments, such as environment impacts of non-source pollution, animal welfare, fair business and employment practices, HIV/AIDs, and other human health issues.</td>
</tr>
</tbody>
</table>
Table 1 (continued).

<table>
<thead>
<tr>
<th>Interdependence</th>
<th>Function</th>
<th>Rationale</th>
</tr>
</thead>
<tbody>
<tr>
<td>Extension services need government for:</td>
<td>Responding to emergencies</td>
<td>Only higher levels of government with the concerted help of local government can respond effectively to many emergencies; extension services are often the only widespread network of external presence in rural areas.</td>
</tr>
<tr>
<td>Risk bearing and sharing</td>
<td>Government has the ability to bear the burden of risk more easily than can individual agents. Thus, government support may be essential in introducing new extension and rural development services, while promoting the institutional capacity of private providers to assume some, if not all, of these services.</td>
<td></td>
</tr>
<tr>
<td>Information provision</td>
<td>Extension is a key user of information on producers, social conditions, production systems, markets, and technologies for planning and implementing extension programs; government endorsement enhances information credibility and reliability.</td>
<td></td>
</tr>
<tr>
<td>Regulation</td>
<td>Even when funding and delivery of extension services is left to the private sector, public sector oversight and regulation is important to protect the public. A regulatory function provides rules and regulations to define conditions under which extension activities can take place and set standards for service delivery.</td>
<td></td>
</tr>
<tr>
<td>Quality control and enhancement</td>
<td>Extension services rely on key support services, especially the education and training of extension and technical support from research and other sources of innovation. Government can bring important economics of scope and scale to extension support activities that other extension providers lack.</td>
<td></td>
</tr>
<tr>
<td>System coordination</td>
<td>The government’s convening authority enables it to bring different service providers together to exchange information, develop new partnerships and collaborative mechanisms, and establish acceptable division of labor. This government coordination can improve overall pluralistic extension services.</td>
<td></td>
</tr>
<tr>
<td>Promoting reform</td>
<td>Extension reform requires a policy vision and a national strategy for implementation, whether this involves decentralization, privatization, new contractual arrangements, or user financing. Government can promote new approaches and bring about changes in institutional capacity and interrelationships.</td>
<td></td>
</tr>
</tbody>
</table>
Public Policy Implementation Function

Achieving policy goals frequently requires the education and mobilization of rural people to change behavior—an objective for which extension may be the best or only tool available to national governments. Four key public good policy objectives come to the fore—poverty reduction, food security, rural economic development, and environmental conservation. Only national governments with help from decentralized levels of government can respond fully to these public goods priorities. While government presence and intervention may be important it does not follow that these services must be delivered directly by government.

Public intervention in support of technology dissemination is justified by the public good nature of much of the technology necessary to overcome the main constraints to sustainable development. Market failures also result from the limited capacity of smallholders to pay for services and the imperfections prevailing in output, input and credit markets. Market imperfections severely limit farmers’ ability to access new technologies, equipment and inputs. Thus, state provision of goods and services is often indicated where there are (a) natural monopolies that might require either public provision or public regulation of the market, (b) incomplete or absent markets, which tends to be the case in many developing countries, (c) inequities in income distribution, although this raises the difficulty of the incentive problem, and (d) dynamic efficiencies, by which is meant that government may have access to better information about the future, that it is less risk-adverse, and generally has a longer time horizon than markets.

One of the principal responsibilities of policy-makers concerned with rural development, according to Tripp (2001), is to see that agricultural technology is adequately targeted...ensuring that technology is available for various types of farmers and that it supports equitable rural development. He concludes that re-invigorated and efficient public agricultural extension and research systems are required. These systems must ideally be able to interact with the private sector, help provide productive technology to support a robust farming sector, and contribute to the broader goals of enhancing rural livelihoods. A continued focus on promoting technological innovation by public sector extension in developing countries is essential, as about 80% of the world’s extension services are still provided by the public sector (World Bank, 2002c).

Alex, Zijp and Byerlee (2001) also maintain that government investments in extension will continue to be needed, to develop (a) sound policy frameworks that provide a conducive environment for investments to achieve desired impacts; (b) clear national strategies that precisely articulate a long-term vision and the national policies, plans, and objectives for extension investments; (c) realistic benefits and expected outcomes that justify the investment; and (d) unambiguous equity programs with appropriate services available to the poor and minorities groups and with a keen recognition that farmers and herders are both male and female (Alex, Zijp, & Byerlee, 2001).

Information Collection Function

The collection and provision of information has definite public-good attributes and can be important to national policy formulation, market development, and good governance. For extension agents–public and private—to facilitate market development, they have to know what the market demands, what the customer wants (Nielson, 2002). Governments collect and disseminate information on producers, environmental and social conditions, production systems, markets, and technologies. Such information provides a base for national statistical services, for planning and implementing public and private sector investments, and for
monitoring social, economic, and environmental changes. The presumed objectivity of government in compiling and distributing national statistics makes it the preferred, or only, source for much of such data. Since many governments’ statistical services are poorly funded and ill-equipped to collect rural statistical information, especially as relates to agricultural systems, extension services are frequently called on to assist in statistical data collection. This may be a controversial role for extension as it deviates from that of technical advisor, but in practice there is often no one else to gather statistical data and, at least, the extension agents are familiar with the agricultural sector and the area.

In addition to potential roles in collection of formal statistical data on agricultural production, extension agents are a key source of informal data collection, being the government’s eyes and ears in the countryside and providing a potential channel for early information on crop and market conditions, security, and a wide range of issues.

**Addressing Urgent New Priorities Function**

To date, extension’s main responsibility has been the transfer of agricultural production information to farmers and farm families. In the future, diverse new issues, some agricultural and others not, are likely to emerge on the extension agenda as a result of socioeconomic, political and technical developments. Emerging concerns include environment impacts (e.g., through non-source pollution), animal welfare, fair business and employment practices, poverty reduction, and rural development. In developing countries non-agricultural concerns are pushed onto extension’s agenda, including population planning and HIV/AIDS, while animal and possible human health issues relating to “mad cow” disease recently alarmed European countries. Public extension services may be the only—or most important—tool governments have available to address these new concerns.

In the United Kingdom, five years after privatization of the Agricultural Development Advisory Service, various events (outbreak of foot and mouth disease, mad cow disease, environmental conservation issues, etc.) led the U.K. Government to recognize that its need to communicate with farmers has increased rather than diminished (Garforth, 2002). As a result the government is contracting out specific services to the private sector, establishing semi-autonomous bodies, and developing new in-house capacity (specifically the Rural Development Service). Garforth considers this development as probably inevitable given the diversity of the agricultural sector and its importance to national well-being.

**Emergency Response Function**

Natural disasters (such as flood, drought and fire), crop pest infestation, and widespread animal and human diseases require emergency response by government. Only higher levels of government with the concerted help of local governments can respond fully to such emergencies and extension services are often the only widespread network of external—governmental or non-governmental—presence in rural areas. Extension services are often immediately and automatically called on to respond to the emergency. This responsibility often results from what Ulrich Beck (1999) has termed “the world risk,” in which managing risk requires a systematic approach to dealing with hazards and insecurities induced and introduced by modernization itself. Contemporary society, in contrast to previous societies, is characterized by new sources of risk and by a greater ability to respond to and mitigate the impacts of emergency situations.
Risk Bearing and Sharing Role

Where market failure restricts the ability of individual private service providers to supply an optimal level and quality of services, government intervention may be essential to development of effective extension services. This frequently includes training for extension staff, development of communications products for effective extension, and assembly and packaging of information and knowledge of use to producers. In this, the public sector can frequently exploit economies of scale and scope. Although these services may need to be funded by the public sector, delivery can often be contracted out to the private sector to facilitate development of private services that may become viable and sustainable over the long term.

Information Provision

Extension services rely on accurate and detailed information—often available only from government sources—for strategic planning, priority setting, program monitoring, and impact evaluation. For extension agents – public and private – to facilitate market development, they have to know what the market demands, what the customer wants, and what production potential exists in available natural resource, infrastructure, and human capital (Nielson, 2002). Governments collect and disseminate information on producers, social conditions, production systems, markets, and technologies, information critically important for planning and implementing private sector extension services.

Regulating Role

Even when funding and delivery of extension services are left to the private sector, the public sector retains important responsibilities for certain oversight and regulatory involvement to protect the public and minimize negative impacts on public welfare. This may be especially important in programs of contracting out service delivery to the private sector, where some key public functions must be provided.

In short, a regulatory function provides a national set of rules and regulations to define the conditions under which activities can take place and to set some standards for service delivery. “Governments have the role,” as the vice-president of Uganda (Kazibwe, 1998, p. 22) states, “of developing and implementing efficient and responsible regulatory and monitoring mechanisms in the production, processing, storage and marketing of goods and provision of services at all levels in the private sector.” Regulations should generally provide for minimum restrictions on entry of service providers, but focus on preventing fraud or dissemination of technical or managerial information with potential for significant negative social or environmental impacts.

Quality Control and Enhancement

Extension services rely on key support services, especially the education and training of extension professionals and technical support from research and other sources of innovation. The private sector, as pointed out later in this paper with respect to Honduras, is not generally able to assume the costs of providing these services at an optimal level. Ensuring quality of extension services relies on objective assessment of extension activities and on the economics of scope and scale that higher levels of government can bring to extension support activities. Agricultural research, technology identification, and technical support services are often relevant to all public and private extension services providers. Only national governments with the concerted help of local governments can respond fully to this need to continually train and upgrade extension professionals.

System Coordination

Extension services oversight is an inherent aspect of the public sector’s responsibilities for policy formulation,
safeguarding of public welfare, and development and design of reforms to promote pluralistic extension institutional arrangements. The government’s convening authority enables it to bring different service providers and agencies together to exchange information, develop new partnerships and collaborative mechanisms, and establish acceptable division of labor.

The traditional focus of extension is agricultural production and continues as an important objective in public sector extension programs. However as Bennett (1996) argues, the public sector role extends beyond concerns to promote applied and basic research on new research findings, and includes responsibility to validate commercial information, transfer practices (not just technology), conduct accomplishment evaluations and promote organizational action. For these responsibilities to be met, national governments must recognize and extend their role to promote sharing of experience and coordination of the multiplicity of extension activities currently operating in their countries.

Promoting Extension Reform

Globalization, inextricably linked to privatization, confronts countries with a new and highly competitive global market. Major economic restructuring is taking place in both developed and developing countries, and has greatly changed the balance of responsibility between the public and private sectors (Fresco, 2000). In many cases, trade liberalization puts developing countries at a disadvantage in the global market. Technological innovations, such as precision farming, are revolutionizing agricultural systems. An expanding agenda and a variety of innovative approaches to extension, progressively being shaped by modern communications and information technologies, have come into being (Alex, Zijp & Byerlee, 2002; FAO/World Bank, 2000; Rivera, Qamar, & Crowder, 2002).

Thus, while there may be a global “power shift” from public to private hegemony underway (Mathews, 1997), it is only a myth that nation states have become powerless. On the contrary, the private sector is still dependent on the state’s support of an enabling environment that fosters private initiative. And national governments still set the rules and make the regulations that define the conditions under which activities can take place.

One reason to devise a coherent public sector policy on extension, according to Carney (1998), is that the extent to which other bodies will be willing to provide extension services is partially determined by government actions. She concludes that the main emphasis of government policy should be to enhance the enabling environment for non-governmental provision of extension services. Beyond its enabling function, government is likely to find it has other roles, including the regulation and coordination of a pluralistic complex of extension providers, the gathering of information on the various knowledge needs within the country and the provision of specialized information services to some segments of the population. Thus, some aspects of the role of government might actually need to increase (Rivera & Gustafson, 1991).

Reforms Worldwide

The changing socio-economic environment for agricultural extension (Christoplos, 1996; Neuchatel Initiative Group, 1999; Rivera & Gustafson, 1991) has led to a large number and variety of by-now well-known reforms worldwide. Various reforms have been instituted: (a) promotion of pluralism, emphasizing multiple and diverse partnerships between public and private sectors—including partnerships with farmer organizations and private venture companies, (b) cost recovery schemes based on contractual provisions whereby clientele are protected from inappropriate or unproductive advice, (c) decentralization
arrangements with lower levels of government wherein local authority is empowered to tax or provided with intergovernmental fiscal transfers, and (d) devolving extension responsibility to farmers and farmer organizations and, more recently, to community organizations (Nadhy, Byekwaso & Nielsen, 2002; World Bank, 2002a). This abbreviated list of strategies omits other on-going changes including those toward total privatization whereby responsibility for extension funding and delivery is shifted entirely to the private sector, as well as the plethora of new delivery and assessment techniques that are being incorporated into extension programs. Many of these innovations have promise, but most are yet to be proven sustainable and some (such as some privatization experiments) have failed for one or another reason (Davidson, Ahmad, & Tanvir, 2001; Nagel, Heiden, & Siebert, 2001; Rivera, 2001).

Change is also evidenced in the move by donor organizations to combine agricultural extension with rural extension (FAO/World Bank, 2000; World Bank, 1997) and other larger development goals. Institutional reform has resulted in a variety of institutions being engaged in the transfer and exchange of agricultural information, a variety of financial arrangements being adopted in order to provide agricultural extension services, a variety of managerial approaches to administering extension services and, as already noted, a variety of purposes being associated with extension. Donor organizations and practitioners currently anticipate extension’s future to involve a pluralistic array of institutions and practices (FAO/World Bank, 2000; Rivera, Qamar, & Crowder, 2002; World Bank, 2002b). In the final analysis what appears to be needed in many countries is a clear-cut vision and national strategy for public sector action, including the provision of extension services for purposes not targeted by other extension providers. For example in Honduras private sector companies and programs under contract by the government do not have capacity to provide for training field staff. This training role must still be assumed by the public sector (Hanson, Smyle, & Lainez, 2002).

While some countries are reconsidering their public role regarding extension, the developing world is still being pressured to limit state involvement except as an enabler of the private sector and as a funding agent for private-sector provision of extension services. The so-called “power shift” from public to private sector hegemony appears to be slowing, as reforms run into second generation problems and the realization that many services (notably those for the resource-poor) are not being picked up by the private sector. Although developing countries continue to shift responsibility for the delivery of extension services to the private sector and gradually recede from authority in this domain of knowledge dissemination, this posture in some of the more developed countries is gradually being reconsidered. On the edge of rapid knowledge change and pressured by new policy and technical demands, countries like the United Kingdom are beginning to be concerned about ensuring “an integration of advisory services and to re-create new in-house capacity for advising and informing farmers on new governmental policies and technologies” (Garforth, personal communication, December 11, 2002).

As well, institutional reform through privatizing schemes such as contracting with the private sector and the establishment of partnerships in the provision of extension services is also not always an easy process. In Nicaragua, for example, the government finds itself institutionally challenged to take on the new pluralistic extension role (Crowder, personal correspondence, February 26, 2002). Crowder notes that this role requires investment in management education directed at institutional re-orientation and innovation. Institutional re-orientation can de “pressured from below” by strengthening farmer groups to have a
decisive voice in determining extension agendas, programs, and services—through contracting, decentralization, and support to local innovation. But pluralistic extension also requires investment in basic education and training for public-sector extension and private/civil society extension service networks. Management education is needed to facilitate the common concepts, language, methods and skills needed to integrate the diversity that arises from institutional pluralism. In short, pluralism demands both new relationships and new skills.

International organizations and governments are already anticipating new challenges and new priorities, including rural development, agriculturally related health concerns, the emergence of new clientele and the impact of global urbanization. In the next decade, if not sooner, policy makers worldwide will find themselves challenged to confront again the role of national government vis-à-vis extension’s institutional pluralism and the challenge of critical development issues. Not only do extension services remain a concern of government, but also continued public sector support for extension is essential to realize urgent social and economic goals. Exciting reforms underway in many countries are attempting to make extension services more relevant and effective, but the reform process will be a long one. Government and donors will need to stay the course to ensure the evolution of new institutional approaches and foster an appropriate division of labor among public and private sectors and civil society.

References


