

Full Length Research Paper

The appropriate practices for supplying private extension services as perceived by Iran's extension experts of ministry of agriculture

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Increased efficiency in extension delivery services has been viewed as a prerequisite for agricultural development. One of the policy options to minimize the constraints of the public extension has been the privatization of agricultural extension services. In Iranian context, considering the diverse needs of the commercial farmers and inadequacies of the public extension services for the small farmer, there is a necessity for searching suitable programs and practices related to private extension. Thus, the objective of this study was to investigate and prioritize programs and practices of supplying private extension services to farmers, as perceived by Iranian agricultural extension specialists. A survey research was conducted using a questionnaire. The target population of the study encompassed 125 agricultural extension specialists of the ministry of agriculture. Based on these findings, prioritizing of the most important practices for supplying private extension services were: farmers extension organizations, private consultants and allocating subsidy to the farmers. Also, there was a significant difference between PhD and M.Sc respondents as to their perceptions to the appropriateness of the three aforementioned private extension practices.

Key words: Privatization of agricultural extension, private extension services, extension strategies, Iran.

INTRODUCTION

One of the strategies implemented by countries like Germany, Netherlands, France, England, and Chile to cover the shortages and deficiencies of the public extension in their countries is privatization of agricultural extension. "Privatization" means transfer of ownership from state to private hand. Privatization means handling over a company a concerned that has been previously owned by state to private individual or parties (Jiyawan et al., 2009). Extension privatization refers to services provided by the extension agents in the private organizations or centers for farmers who are expected to pay for the services. However, this is considered as a kind of supplement for the public extension (Hanchinal et al., 2001; Saravanan, 2001). According to Shivalinge and

Saravanan (2001), practices for supplying private extension services require methods or techniques used by the private sector's extension for providing services such as giving information, consulting, providing inputs, infrastructures, technical services, marketing and other auxiliary services. Therefore, practicing for supplying for private extension services are:

1. Client-based extension system: The volunteer private organizations or the non-governmental ones (NGO) are established and administrated to service the pre-determined target groups (Rivera et al., 2000).
2. Commodity-Based extension: Private sector is the responsible of all services and their cost, through pricing the product, is directly taken from the farmers (UNDP, 1997).
3. Input-Supply system: Private sector present technical information and training about appropriateness use of the agricultural inputs. Cost of the consults and trainings are

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considered in the purchase price of the good, and this is the way that the farmer pays their cost directly (UNDP, 1997).

4. Private consultants: Private agents, directly take their cost of consult from the farmers (UNDP, 1997).

5. Farmers' Extension Organizations: It is controlled by the farmers; members pay for services they need or these organizations take taxes from each production unit (UNDP, 1997).

6. Extension-based on commission: Wages are taken from the main farmers for providing services (Hanchinal et al., 2001). This strategy, compared with the private consultant's strategy, is more general because it is not limited to consulting and includes consulting and non-consulting services.

7. Share system: In this strategy: Extension agent provide all the requirements such as inputs and services, and the yield is share between of farmer and agent (Saravanan, 2001).

8. Allocating subsidies to the farmer: A farmer pays a part of private extension service cost and the government covers the rest (Mahmoodi-Karamjavan, 2004).

9. Cost recovery system: In this system, extension activities are in the format of public extension and farmers pay the cost of services (Rivera, 1993).

10. Contract system: Public extension activities, by a contract, are delivered to the private sector (Mahmoodi-Karamjavan, 2004).

Several studies have been done about privatization of agricultural extension. Findings of Peyrov-Shabani (1998) indicated that there is a significant and positive relationship between management flexibility, educational facilities, satisfaction from agricultural facilities, rate of incomes and working experiences with agricultural extension privatization. Farokhi (2002) believed that educational level of experts, managerial system and expert's participation determine extension privatization. Beglarian (2001) found that there is a positive relationship between record of service and expert's attitude to privatization. Mahmoodi-Karamjavan (2004) in his study found that the most important factor for privatization is knowledge and experience of extension agents of private extension.

Results of Bahrami (2003) showed that expert's educational level and working experience had a positive impact on their attitude. Shivalinge and Saravanan (2001) in their study in India found that most of the experts have a positive attitude toward privatization. Desirable attitude of these experts mainly related to efficiency development of extension system and meeting needs of farmers.

Ajeh et al. (2008) in their study about "constraints to privatization and commercialization of agricultural extension services" found that the most important constraints included: job insecurity amongst extension staff, lack of farmers' interest in extension programme and high risk and uncertainty in agriculture. Riaz (2010)

in his study examined the role of the private sector in agricultural extension in Pakistan. Findings indicated that the farmers mention that in most cases the advisory services are provided by the private sector while public extension service is rarely available.

In Iranian context, considering the diverse needs of the commercial farmers and inadequacies of the public extension services for the small farmer, there is a necessity for searching suitable programs and practices related to private extension. In regarding limitations and deficiency of public extension in Iran, on the other hand divergent needs of commercial farmers.

Therefore, this research is aimed to identify appropriate practices for delivering private extension services in Iran.

MATERIALS AND METHODS

This is applied in non-experimental (descriptive) research. The methodology of research is survey because the main purpose of the researcher is identifying the appropriateness of the strategies for services delivery in the private extension. The area of the study is related to finding the appropriate solutions of private extension based on perception of experts of ministry of agriculture. Statistical population is 120 experts of agriculture ministry in which all have been studied. Questionnaire was designed as the main tool of the study; all questions except the personal characteristics of experts were written as five-point Likert scale. In addition to questionnaires, observations and interviews were also used.

Content and face validity were established by a panel of experts consisting of faculty members and some professors and experts associated with the subject in the ministry of agriculture. Minor wording and structuring of the instrument were made based on the recommendation of the panel of experts. A pilot study was conducted with 30 persons who had not been interviewed before the earlier exercise of determining the reliability of the questionnaire for the study. A primary-test was carried out for completing 30 questionnaires and for measuring reliability; the Cronbach alpha coefficient of the questionnaire was 89%. The data were analyzed by SPSS version 13. Data was analyzed using coefficient of variation, correlation coefficient of Spearman (ρ) and Mann-Whitney and Kruskal-Wallis.

RESULTS

Based on the results of this study, 74.4% were men. Based on educational degree, 70% has M. Sc degree. Mean was used to prioritize the suitable strategies of private extension services. Data in Table 1 shows that there are 3 strategies; farmers' extension organizations, private consultants, and allocating subsidies for farmers which are the most important strategies of private extension. Based on findings the most suitable strategy is the farmers' extension organizations.

Spearman correlation coefficient was used to evaluate the relations between the experts' sex, activities records, and educational level with their ideas about the suitability of each strategy. The results obtained show that there is no significant relationship between the experts' sex and their view about the suitability of servicing strategies, but

Table 1. Prioritizing strategies of private extension.

Priority	Supplying private extension system	Mean	SD
1	Farmers' extension organizations	4.4	2.4
2	Private consultants	4.2	2.2
3	Allocating subsidies to the farmers	4.1	1.9
4	Cost recovering	3.7	1.7
5	Contracting extension	3.5	1.2
6	Client- Based extension system	3.2	0.93
7	Extension based on commission	2.8	0.63
8	Share system	2.6	0.44
9	Commodity-Based extension	2.2	0.38
10	Input-Supply system	1.8	0.23

Table 2. Relationship between educational level and solutions of private extension.

Variable	Practices of private extension	r	p
Educational level	Farmers' extension organizations	0.552*	0.03
	Private consultants	0.501*	0.02
	Allocating subsidies to the farmers	0.549*	0.02

*Significance at 0.05%.

there was a positive and significant relationship between the experts' extension activities records and their viewpoint about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies. There was also positive and significant relationship between the experts' educational level and their viewpoint about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies at 95% level (Table 2). Mann-Whitney test was used to compare the male and female experts' viewpoint about the suitability of each strategy. Results showed that there is no significant difference between male and female experts' viewpoints about the suitability of service strategies.

Furthermore, Kruskal-wallis test was used to compare the viewpoint of extension experts with different educational degrees (Bachelor, M. Sc, and PhD) about the suitability of each strategy. According to Table 3, there was a significant difference between the viewpoints of experts with different educational degrees about the suitability of farmers' extension organizations, private consultants and allocating subsidies to the farmer strategies at 95% level; there was no difference in the other strategies (Table 3).

Results showed that there is no significant relationship between the experts' sex and their view about the suitability of servicing strategies. Also, there was a positive and significant relationship between the experts' extension activities records and their viewpoint about the suitability of farmers' extension organizations, private

consultants, and allocating subsidies to the farmer strategies. There was also a positive and significant relationship between the experts' educational level and their viewpoint about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies at 95% level.

There was a significant difference between the viewpoints of experts with different educational degrees about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies; there was no difference in the other strategies.

DISCUSSION

The results obtained show that there is no significant relationship between the experts' sex and their view about the suitability of servicing strategies. Hanchinal et al. (2001) have supported this finding. Also, there was a positive and significant relationship between the experts' extension activities records and their viewpoint about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies. Sarvanan (2001) and Beglarian (2001) also found a significant relationship between the experts' extension activities records and their viewpoint about the privatization of extension. There was a positive and significant relationship between the experts' educational level and their viewpoint about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies. Sarvanan (2001), Hanchinal et al. (2001), Sepehrian (2002) and

Table 3. Comparing the experts' viewpoints about the suitability of strategies based on educational degrees.

Educational degree	Service strategy	F	Level of significance
Bachelor	Farmers' extension organizations	0.885	0.041*
M. Sc	Private consultants	0.095	0.041*
PhD	Allocating subsidies to the farmers	0.138	0.044*

* Significance at 0.05%.

Farokhi (2002) believed that there is a positive and significant relationship between the experts' educational level and their viewpoint about the privatization of extension. There was a significant difference between the viewpoints of experts with different educational degrees about the suitability of farmers' extension organizations, private consultants, and allocating subsidies to the farmer strategies; there was no difference in the other strategies. Beglarian (2001) also found that there is a significant difference between the viewpoints of experts with different educational degrees (Bachelor, M. Sc and PhD) about the privatization of agriculture extension.

Considering the farmers' extension organizations as the most suitable strategy (according to the experts' view) in the current condition of the country -Iran- and their increasing capabilities and efficiency in the world's production and service contexts, more attention for an effective and desirable usage of this strategy and utilizing other successful countries' experiences in this context are suggested. This kind of organizations are established and controlled by farmers, and its members pay wages for the services. Gheble (1998), in his study believed that a farmers' extension organization is the best strategy suggested by experts and as such, the government should profit the successful countries' experiences and plans based on the specific conditions of the Iranian rural society and establish and organize the farmers' organizations.

The second strategy is private consultants. Consultants, as individuals or corporations, take the cost of consulting directly from the farmers. This strategy can be useful in Iran because, considering the agricultural sciences graduates seeking job, establishing consulting corporations create employment and entrepreneurship for agricultural sciences graduates. Sepehrian (2002) considered this strategy as a suitable one for privatizing and servicing. Considering lots of the jobless graduates in the agriculture sector, paying more attention for making the basis and applying this strategy is necessary. Thus, due to the vast number of the jobless graduates of various agricultural fields, the government, by providing the requirements, conditions, and credits such as long-term loans for agriculture experts, should create work for these graduates in the form of consulting corporations and ,then, provide entrepreneurial activities.

Allocating subsidies to farmers is the third suitable strategy. Farmer pays a part of the private extension

service cost and the government pays the rest. According to the financial weakness of the small farmers, this strategy can be effective. This strategy was considered as one of the most important strategies (Mahmoodi-Karamjavan, 2004). Focusing on the strategy of allocating subsidies to farmers is one of the useful strategies in Iran because the cost of the extension services is high and the small farmers are incapable or uninterested in paying services costs. Consequently, the government, by designing specific mechanisms, pays a part of the extension cost and gives the rest to the farmers in the form of subsidies so that they can have the services with the maximum quality. In regards to the divers needs of Iranian farmers, it is obvious that there is no single best solution to complex and multifaceted challenges of Iranian farmers.

Conclusion

Still, several countries have resisted the trend toward privatization of agricultural extension. In both developed and developing countries, renewed debate and experimentation around extension is certainly needed, but not only around allocation decisions and how best to develop cooperative arrangements with the private sector. In most countries, government-funded extension is likely to focus its activities more selectively on public-good activities which exist and on areas where the marketplace is unlikely to provide services at a socially optimal level.

It is obvious that extension service delivery can no longer be publicly funded if it must be effective and relevant to needs of the end users. Many countries have changed their extension philosophies and methodologies including funding due to several constraints that are facing the publicly funded extension.

Public and private sector extensions all have an important role to play in technology transfer. The mixture of public and private extension activities, which exists in most countries and their relationships with surrounding communities, organizations and institutions, constitutes an extension system. Public sector has got a comparative advantage in disseminating location specific, system based and sustainable technologies. Private sector will have a greater success in the areas of hi-tech and commercial aspects, input supply and other technical

services. Privatization of agricultural extension system should not be seen as an alternative to public extension system. Private extension systems should play a complementary role so that all sectors of farmers get the required support at the right time and in the right form.

Implications of extension "privatization"

In general, a more commercialized approach broadens the focus of extension personnel and makes an extension service more responsive to client needs and changing economic and social conditions. But other immediate implications of privatization appear to include (1) the tendency toward a reduction of linkages both among organizations and among farmers in the exchange of agricultural and other relevant information; (2) the tendency to enhance large-scale farm enterprise to the detriment of small-scale farming; (3) the diminishing emphasis on public-good information and the advancement of knowledge as a saleable commodity; and (4) the trend toward agricultural development services that cater primarily to large-scale farming.

Policy implications

- i. A simple strategy of privatizing agricultural extension will not be sufficient to provide the technology and support required by the majority of farmers.
- ii. Policymakers should be aware that those farmers who are excluded from public or private extension are forced to seek information from input dealers who may not be well informed or properly motivated to provide appropriate assistance.
- iii. Urgent attention is required for rethinking extension strategies so as not to exacerbate the growing information gap between rich and poor farmers.

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