

*Full Length Research Paper*

# Appraisal of privatisation of agricultural extension services in Cameroon

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**This paper examines the significance and impact of privatisation on the management and organisation of agricultural extension services in Cameroon. The focus is on how government action to implement new policies in agriculture is perceived by, and has affected farmers. The issues explored are the pressures for privatisation, the implementation of privatisation, influence on agricultural extension and farmers' responses to privatisation. Qualitative and quantitative research methods related to the Grounded Theory approach were used. 114 farmers, 26 extension agents and 14 senior extension officers were purposively sampled on the basis of their involvement in four agricultural extension projects in three regions, which typify different ecological and socio-cultural aspects of farming in Cameroon. The findings show that persistent economic constraints have increased the country's dependency on external sources of funding for agricultural extension programmes with pressure to reduce government spending, a high level of awareness among farmers with respect to new organisational changes in extension, and their willingness to accept innovations in their methods of working with support services that provide appropriate solutions to their farm problems. Privatisation of agricultural extension services has brought with it greater involvement with private companies and non-governmental organisations, and greater collaboration among them in delivering extension services to farmer clients. This increases the effectiveness and sustainability of the information systems available to farmers.**

**Key words:** Agricultural extension and privatisation, liberalisation and organisational change.

## INTRODUCTION

With the advent of political independence more than 40 years ago, most developing countries chose development models whereby the public sector controlled almost all aspects of the economy. In the agricultural sector, this included a domineering role of the state in the supply of physical inputs, credit, research and extension and marketing systems, either directly or through agricultural parastatals. In Cameroon, policy reforms in agricultural extension were particularly interventionist from the time of independence up to the end of the 1980s. This was a period during which production was partly in the hands of State-owned enterprises and there were numerous price controls and substantial input subsidies financed with the use of export taxes. An economic crisis which brought about radical changes in the management of agricultural extension services by the Ministry of Agriculture and Rural Development and that of Livestock, Fisheries and Animal Industries has characterized the period after the mid-1980s. The crisis resulted in major policy changes in

the agricultural sector. Liberalization and privatisation policies were adopted aimed at disengaging the state from the production and commercialization of agricultural products. Between 1988 and 1992, the agricultural budget was slashed and subsidies for agricultural inputs like fertilizers, pesticides and insecticides were completely removed and farmers had to face the market price for these inputs. Furthermore, the state liquidated the National Produce Marketing Board, shifting responsibility for purchasing of the country's major export crops like coffee, cocoa and cotton from farmers and their international sale to the private sector. Thereafter, the government sought to attract private investment, particularly through privatization of some state-owned enterprises like the Cameroon Cotton Development Corporation and the Cameroon Development Corporation to increase production levels and rural incomes. The rationale for privatisation was that the market performs better in the production and provision of certain goods

and services. By shifting hitherto state-owned services to the private sector, it is assumed that resources would be allocated in a more judicious manner, leading to improved production and overall welfare. From the 1990s under the Rural Sector Development Strategy, prepared as a component of the Poverty Reduction Strategy Paper (PRSP), poverty, food insecurity, poor market integration, and unsustainable utilization of natural resources are identified as major challenges to rural sector growth. Agricultural extension thus represents a fundamental challenge to reaching the goals of Cameroon's PRSP of reducing poverty, increasing agricultural production, promoting food security, improving the quality of produce and ensuring agricultural and environmental sustainability. In the continuous search for more appropriate institutional arrangements for the delivery of agricultural extension services, questions are raised about whether certain public activities like agricultural extension could be performed more efficiently by the private sector (Gros, 1994). While it is generally agreed that privatisation leads to the delivery of more efficient and better quality of services and lowered government expenditure, it is necessary to emphasise the importance of situational analysis to avoid the temptation of applying formulae in developing countries simply because they have succeeded elsewhere. The purpose of this paper is to investigate the significance and contribution of privatisation to agricultural extension services in Cameroon and explore how government action to implement new policies in agriculture is perceived by, and has affected the actions of stakeholders actually engaged in farming and extension work. The pressures for privatisation, its implementation, influence on extension and farmers' responses in the Cameroon context are discussed. The specific objectives are to: define and describe the process of privatisation as this has occurred in Cameroon; identify the sources of pressures for privatisation; explore farmers' abilities and attitudes towards payment for advice; and the changes brought about in extension by privatisation. Agricultural extension privatisation as used in this paper refers to the different ways by which farmers can contribute towards the costs of running extension services. It is related to the view of information transfer in agriculture as a private good characterised by intellectual property, process licensing, and the use of paid consultants and differentiated production and marketing processes (Rivera and Cary, 1997). In a broad sense, privatisation of agricultural extension refers to various funding and service delivery arrangements that require farmers to contribute financially towards the costs of running the services in exchange for the advice they get to improve their productivity and income.

### STATEMENT OF THE PROBLEM

The Cameroonian economy has been in crises since 1988 owing to changes in the international economic environment and poor internal management. The crises

has resulted in acute balance-of-payments difficulties, which together with the need for external resource flows forced the government to adopt stringent Structural Adjustment policies<sup>2</sup> and stabilisation programmes to restore the economy on a growth path recommended by the Bretton Woods Institutions (Amin, 2008; IFAD, 1988). This programme partly involved a freeze in further employment into the civil service and a reduction of more than 60% in the salaries of state employees in 1993. This situation led to an increase in the rate of unemployment and a deterioration of living conditions, particularly in rural areas. Austerity measures adopted within these programmes included currency devaluation, reduction of public expenditure, and curtailment of imports demand.

The crisis has also led to the withdrawal of the state from production activities and its retreat from direct support to farmers, calling into question its role as the direct manager of agricultural extension services. The gradual disengagement of the State from agricultural activities after 1987 resulted in a substantial reduction in support for production by State-owned companies, the elimination of price and quality controls on coffee and cocoa, and liberalization of the marketing of these products as well as the inputs used to produce them (OECD and MINADER, 2006; FAO, 2006). The removal of subsidies and price controls, liberalisation of the economy, and limitation of the size of the public sector, have placed responsibilities on communities which had not been adequately equipped for the challenges. Involving the private sector in modernizing agricultural production and productivity is crucial, as demographic growth is sustained in Cameroon with the rate of 2.8% and the actual production of food crops is insufficient to cover the food needs of the population.

### CONCEPTUAL FRAMEWORK

The privatisation of agricultural extension services is happening as an organisational response to pressures from an increasingly complex and rapidly changing environment (Lawrence and Lorsh, 1967). Privatisation is based on the assumption that there is relevant technology to disseminate because if there happens not to be any, a change in service provider can do nothing to increase the effectiveness of extension. Agricultural information has an economic value and is therefore an input in agricultural production. 'Relevant advice' has an attractive cost-benefit ratio and therefore should be saleable, in some shape or form (World Bank, 1994). Extension advice is increasingly being provided by commercial firms, banks, and private consultants, publishers of farm magazines and other computerised information services and data banks (Schwartz, 1992; Umali and Schwartz,

<sup>2</sup> The World Bank defines these programmes very broadly as policy reforms involving changes in relative prices and institutions designed to make the economy more efficient in using resources.

1994). Agro-input and food processing firms provide information to their clientele about the appropriateness or range of uses of their products as part of their advertising strategy to expand or protect their market shares. Cameroon's adoption since 1990 of a more liberal agricultural policy has made it possible for private companies to be involved in fertiliser and seed supply, which were previously the exclusive domain of the public sector (MINAGRI, 1994). When farming becomes highly commercialised, the corresponding support services will tend to become highly specific, providing adequate economic incentives for private sector involvement. Information on new technology can be considered a public good but as a certain level of technology becomes widely accepted in agriculture, advice becomes a private good. At this stage, farmers would require more individually-tailored advice, and if it is of high quality, they should be willing to pay for it if the services provided are relevant to their needs. The current trend in extension service provision is towards privatisation whereby farmers are expected to share the responsibility for this service and pay all or part of the costs (Van den Ban and Hawkins, 1996). This is happening because of budget deficits for the government to cover extension costs, and the need for extension agents to be accountable to farmers who contribute all or part of the costs of the services. Galal and Shirly (1994) observe that with sound investment policies and market-friendly practices, privatisation can provide substantial economic gains and increase a given country's GDP by an average of 2.5% with the divestiture of half of its public enterprise. The tendency for private extension to target mainly the more progressive farmers can be overcome by encouraging small farmers to contribute towards the cost of extension in 'non-cash' terms so that the accountability link is maintained. Extension services provided by the private sector, or even profit-oriented parastatals, can only upgrade the quality of overall extension support available to farmers (Harter, 1992; Wilson, 1991; Rolls, 1998). A conceptual orientation of agricultural extension services in which governments and other agencies like seed companies, implement dealers, fertiliser distributors, farmer co-operatives and school systems network in providing solutions to farmers' problems can only be advantageous (Rivera and Gustafson, 1991). Some Latin American countries have made conscious efforts to mobilise resources at national, regional or local levels and to contract private sector advisors, municipality staff or farmer organisations to deliver extension services (Zijp, 1998).

Privatisation offers governments the opportunity to restructure internally, reducing waste and seeking ways to improve their own capacity to identify problem areas and capitalise on opportunities for collaboration with the private sector, NGOs, and farmers' organisations (Rolls, 1998; 1998; Umali and Schwartz, 1994). It takes some of the financial pressure off the government, ensures financial sustainability and provides the basis for the establishment

of a more demand-driven responsive extension service. It involves increasing private sector participation in the delivery of services and promoting the adoption of various cost-recoveries, commercialisation, and other alternatives in increasing agricultural productivity (Antholt, 1994; Rivera and Cary, 1997). The participation of universities and agribusinesses, research and related service institutions in responding to farmers' demands tends to affect traditional perceptions of extension, contributing to install a demand-driven extension system. Key areas of intervention involving the promotion of innovative technology, capacity building and contractual relationships with local NGOs require better management of agricultural extension services to ensure that farmers get good advice from vendors of agricultural inputs and agribusinesses that transform and market products. The concepts, which now dominate the debate in agricultural extension, are effectiveness, efficiency and accountability.

## MATERIALS AND METHODS

The methods used in collecting data for this study were related to the Grounded Theory approach (Strauss and Corbin, 1990). The approach lays emphasis on the active role and interrelationships of persons, groups and organisations in developing action strategies in the process of socio-economic change. The Grounded theory approach is qualitative and the investigation is conducted in an autonomous research area with its own social structure, boundaries and history. Questionnaires were administered to farmers, extension agents and senior extension officers sampled purposively from 4 extension organisations operating in 3 regions, covering 2 broad, distinct cultural and agro-ecological zones. These were, for government organisations: the Integrated Rural Development Poles Project (RDPP), Bafut, in the Northwest Region and the Société Camerounaise de Palmeraires (SOCAPALM), and Edea, in the Littoral Region. For non-governmental organisations: the African Centre for Social and Economic Development (INADES-Formation), Bamenda, in the Northwest Region; and the Centre de Développement Autocentre (CeDAC), Sangmelima, in the South Region.

Primary data was obtained from 114 key farmer informants selected on the basis of membership in farmers' group, involvement in the group's activities and their ability to read and write (32 from RDPP, 14 from INADES-Formation, 31 from CeDAC, and 37 from SOCAPALM). 26 extension agents responded to questionnaires. These included 13 from RDPP, 4 from INADES-Formation, 3 from CeDAC, and 6 from SOCAPALM. 14 senior extension officers, including 1 from each of the 4 case studies and 10 from the Ministry of Agriculture also responded to the questionnaires. In addition, 450 farmers and 52 members of staff of extension organisations were reached through focus group discussions and personal interviews. The data collected from questionnaires were analysed using the statistical programme for social scientists (SPSS). Although there were ecological and socio-cultural differences in the 4 case studies, the responses of farmers of the different projects showed no substantial variations.

## RESULTS AND DISCUSSION

### Pressures for privatization

The respondents' understanding of privatisation showed

**Table 1.** Involvement of private companies in extension (% responses).

Category of respondents	Yes	No
Farmers (N = 114)	37.2	62.8
Extension agents (N = 26)	59.1	40.9
Senior extension officers (N = 14)	100.0	0

that a majority perceived the concept as the selling of public-owned organisations to the private sector and the encouragement of private-sector management. Most of them identified the early 1990s as the period when the policy of privatisation was adopted in Cameroon. In effect, Cameroon's reform of state-owned enterprises was actually initiated in May 1989 under the economic adjustment programme and formalised in the Declaration on Economic Policy Recovery. Privatisation was encouraged through the sale of some state-owned organisations, retrenchments and the use of severance packages, performance contracts, training and advisory programmes and the suppression of state subventions to enterprises that performed poorly.

The awareness rate with respect to private companies' involvement in providing extension services was 100% for senior extension officers, 59.1% for the extension agents and 37.2% for the farmers. Considerable diversity now exists among the extension service providers. The differences were attributed to educational levels, the degree of exposure to modern sources of information and involvement in extension decision-making. The relatively high proportion of farmers (62.8%) and extension agents (40.9%) who were unaware of the involvement of private companies in extension, suggests an information gap between senior officials, the field staff and farmers. Farmers were unable to make a difference because of the existence of partnerships between private companies and Cameroon's National Agricultural Extension Programme which utilises public extension agents for testing the technologies of private organisations among farmers Table 1.

The types of extension activities undertaken by private companies as reported by respondents included: advice on farm-related matters, the sale of seeds and seedlings, fertilisers and agro-chemicals, education and training. Private input supply companies provided information with their products thus acting as a marketing device. Some of the private companies in Cameroon like the Farmers' House Ltd. (a seed firm) and PAMOL Estates Ltd. (an oil palm grove company), have introduced new technology for producing high quality maize, oil palms and horticultural products. Extension advice was provided not only to increase the farmers' product quality, but also as a way to promote partnership to ensure that the farmers sold to the companies that provided the advice.

Seventy-five percent of the farmers, 100% of the extension agents and 72.7% of the senior extension officers agreed that the World Bank, the IMF and the European Union were key promoters of privatisation in Cameroon.

The methods used by the government to encourage privatisation, as identified by most of the three categories of respondents included the sale of poorly-managed state-owned companies, retrenchments and use of performance contracts, severance pay, suppression of subventions, training and advisory programmes to facilitate small and medium private initiatives. These initiatives were backed by political speeches to convince farmers and the general public about the prospects offered by privatisation.

### Implementation of privatization

The study investigated perceptions regarding payment for extension advice by farmers during the past two years, the amounts involved, and respondents' attitudes to such commercialisation of services.

Table 2 shows clearly, that a large percentage of the respondents did not affirm farmers' payment for extension advice. It was still not widely recognised that privatisation leads to payment for extension advice. Smaller farmers are more likely than bigger farmers to be deterred from using a service for which they have to pay. Interestingly, 30% of the senior extension officers stated that farmers had paid for extension advice. This is explained by the fact that the State's policy of liberation and disengagement from direct involvement in agricultural production activities, created an opportunity for some extension staff in active government employment to provide fee-for-service extension as independent consultants to supplement their incomes. Large-scale farmers capable of producing a large marketable surplus can afford to pay for extension advice, but to achieve this in traditional agriculture, farming must be modernised and made profitable. Oil palm production attracted a new class of farmers from the senior ranks of state and private sector employees who could afford to negotiate and pay a fee for extension services. Farmers of SOCAPALM and CeDAC's oil palm schemes and members of Common Initiative Groups associated with INADES-Formation and RDPP carrying out selective income generating activities could also afford to pay for extension services through contract arrangements.

A number of farm-level and organisational changes attributed to privatisation were recognised. The attitude of farmers towards seeking advice from diverse organisations, hiring extension agents with the hope of making gains was generally favourable and demonstrates a posi-

**Table 2.** Farmers' payment for extension advice (% responses).

Category of respondents	Yes	No
Farmers (N = 114)	5.3	94.7
Extension agents (N = 26)	13.6	86.4
Senior extension officers (N = 14)	30.0	70.0

tive attitude towards the eventual emergence of consultancy services in extension. Demand for paid agricultural extension services depends upon the type of farmer and the expected benefits from investment in new information and technology. Market competition associated with highly marketable products will enhance effective demand for new information and technology. Large-scale farmers can spread the cost for extension information, resulting in lower per unit cost of extension thus making the service affordable. Small farmers will incur higher per unit cost of extension service, making it less profitable to pay for services. Unless such farmers have the desire and capacity to adopt innovations and start producing a larger surplus for the market, they will have limited incentive to pay for extension services.

Farmers in this study gave the impression that the involvement of diverse organisations in extension would enable them to seek advice from best sources that enable them to make gains. For privatised extension services to be more effective and sustainable, the economic, cultural, social and political environment must be favourable. The government has to provide essential infrastructure, enhance macroeconomic stability, a functioning legal system and competitive markets.

Among the 6 farmers and 4 extension agents who understood that payment was involved in privatisation of extension services (Table 3), 66.7% of both the farmers and extension agents affirmed the payment of more than CFAF 15,000 for farm advice during the past two years. Fee-based extension services to generate cost recovery appeared to be acceptable to this group of respondents. Demand for extension services would be influenced by factors such as the agricultural production cycle, market trends and the balance sheet of the farmer. The Cameroonian small farmer generally gets an income of between CFAF 150,000 and CFAF 300,000 bi-annually. CFAF 15,000 paid for farm advice in 2 years gives an annual average of CFAF 7,500 which is about 2.5% of the farmer's annual income. When self-consumption of some of the farm produce is considered, farmers evidently believe that they can afford to spend this percentage for extension services with the conviction that such investment will yield profit.

During the late 1990s, the privatisation of some of Cameroon's agricultural companies including SOCAPALM was an on-going process. Discussions with farmers and extension agents involved in the company's out-growers' scheme revealed uncertainty about the im-

**Table 3.** Payment for farm advice during past 2 years (% responses).

Amount	Farmers (N = 6)	Extension agents (N = 4)
Less than CFAF 10,000	0	33.3
CFAF 10,000 to 15,000	33.3	0
More than CFAF 15,000	66.7	66.7
Total	100	100

plications of privatisation and some of the farmers even feared losing their farms to foreign interests in the process.

Fifty-six percent of farmers, 66.7% of extension agents and 88.9% of senior extension officers were in favour that farmers' groups should hire the services of extension consultants. This finding demonstrates a positive attitude towards the eventual emergence of a 'fee-for-service' extension or consultancy services in Cameroon. However, 43.8% of the farmers and 33.3% of the extension agents did not see a need for hiring consultants, perhaps because of the severe financial difficulties of the state and farmers. A combination of public, private and voluntary extension efforts would be required to serve diverse target farmer populations. What matters most is to ensure that farmers have access to appropriate technology, information and advice through the most cost-effective approaches possible. Above all, the coexistence of several extension systems and approaches requires better co-ordination to fit diverse clientele rather than centralising (to create uniformity) and standardising one approach.

The willingness and ability to pay for extension advice may differ between the subsistence and commercial farmers. Subsistence crops (roots and tubers, cereals, fruits and vegetables) will require continued support from public extension services now and in the future. The implication of a change from providing agricultural advice free of charge to payment for advice is that the demand for paid services will come mainly from commercialised farming operations, particularly from large-scale farmers. Economic constraints make it difficult to deliver effective services to all farmers through direct contact using public extension services and serious thought needs to be given to the adoption of flexible approaches that are affordable in the short term and sustainable in the long run.

This study showed a higher proportion of farmers and extension agents in favour of payment for advisory services. Farmers in this category expected to get more regular extension advice upon payment, to improve their skills and increase farm production and income. Some of the extension agents argued that they do not receive much economic benefits from their work and farmers with the means should pay for their services. Respondents who differed on this issue argued that extension agents were state employees and it would be unfair to expect

poor farmers to pay for advisory services. The perceptions of senior extension officers in the study were split between agreement (50%) and disagreement (50%) suggesting that farmers will be more selective when seeking advice for which payment is made.

These trends show that public sector extension agencies should not be the sole providers of information and advice to farmers. The private sector has a comparative advantage in areas where farmers demand a level of specialised services, generally for cash crops, not provided by public sector extension. Such services could have a spill-over effect on other crops if farmers improve their general farming skills, and apply the knowledge to the whole enterprise. Involvement of the private sector in providing extension services in some speciality areas is not sufficient argument for not retaining public extension services, particularly for crops and farmers who might not be reached by NGOs and the private sector. Public policy needs to encourage private sector extension wherever such initiatives are forthcoming without neglecting small farmers (mostly women) who, in resource-poor regions, cannot afford to pay for advice. Depending on the type of agricultural activity and level of wealth, farmers who demand personalised services should pay in return for good quality services while appropriate measures are taken to ensure a legal framework for such transactions.

With the government's commitment to the privatisation of public and para-public enterprises and the overhaul of the financial system (banks and insurance), many Cameroonians have lost their jobs. In SOCAPALM alone, 119 of the 2,266 workers lost their jobs (personal communication with General Manager). Two successive salary cuts in the first half of the 1990s and the effects of devaluation of the CFA Franc in 1994 by 50% have aggravated the poverty situation of state employees including agricultural extension staff who would like to supplement their incomes in any possible way including consultancies.

### **Influence of privatization on extension**

Investigation of the influence of privatisation also focused on aspects of cost recovery. This provides a new source of financing extension services - the beneficiaries themselves. The degrees to which cost recovery programmes are applied vary from one country to another (Bunney and Bowcutt, 1991). The results of this study indicated that the influence of privatisation on extension was still partial. Eighty-eight percent of the farmers, 80% of the senior extension officers and 77.3% of the extension agents reported that cost recovery was not being practiced. However, probing revealed some farmers and extension agents in favour of making financial contributions towards the running of agricultural extension services as long as these made their work to be profitable. Extension agents and farmers appear to be accepting the principle of payment for advice when it was

requested. Senior extension staffs appear to be less supportive of the trend.

With the application of cost recovery measures, the more proficient farmers are more likely to pay for individual extension services that have a direct bearing on their income than the small farmers who generally have less capacity to pay for services. Cost-recovery implies that a choice of provider of extension services also exists and therefore policy makers and extension agents should be prepared to make the necessary attitude adjustments. These may include acquiring marketing skills and adopting a business orientation by the extension agents.

Farmers who affirmed that cost-recovery measures were being applied indicated costs incurred on fertilisers, farm chemicals, seeds, and private extension charges, indirect tax on production, and transportation fares to provide advice. Direct financial contributions were also made for participation in training programmes and the acquisition of printed extension material; extension agents mentioned fees, their transport to and from the venues of contact with farmers and foodstuff from farmers. Under SOCAPALM's contractual scheme with farmers, the corporation provided credit, inputs and technical advice. The costs of some of these services were recovered through the purchase of palm produce from the farmers. Initiatives of the Ministry of Agriculture and Rural Development to sub-contract certain extension activities to private partners, provided other opportunities for cost-sharing, particularly in respect of extension efforts for high value export crops.

Farmers associated with INADES-Formation and CeDAC's extension programmes, gave evidence that these organisations applied cost-recovery measures for delivering agricultural extension services. The market gardening and oil palm activities of farmers in Babanki Tungo and Sangmelima respectively, provided them with income for the purpose. Cost-recovery instils a sense of financial discipline and could be most efficiently achieved through indirect methods associated with the market economy, such as market fees. Extension information and advice are marketable commodities of individual benefit for which it is appropriate for the user to pay depending on the market demand and profitability of the commodity involved. However, public extension policy should ensure that small farmers have free access to information and advice until they can be well organised to contribute towards the cost of services provided. The operational implications of cost-recovery schemes, like defining the criteria upon which charges are made and actually collecting the payments and training extension agents in new skills, particularly in marketing techniques, needs to be considered by policy makers.

### **Farmers' responses to privatization**

Respondents' perceptions regarding the degree of influence of privatisation on extension work were rated on

**Table 4.** Degree of influence of privatisation on extension work (% responses).

Category of respondents	No influence	Very little influence	Don't know	Some influence	Total influence
	←	→		←	→
Farmers (N = 114)	17.4	32.1	15.6	22.0	12.8
Extension Agents (N = 26)	4.5	22.7	13.6	45.5	13.6
Senior Extension Officers (N = 14)	20.0	0	20.0	50.0	10.0

a five-point scale. Answers under 'no influence' and 'very little' influence were considered as no influence while 'some influence' and 'total influence' were considered as influence.

The results in Table 4 show 34.8% of the farmers, 60% of the senior extension officers and 59.1% of the extension agents agreeing that privatisation had influence on extension work. The proportion of farmers, extension agents and senior extension officers who perceived that privatisation had 'total influence' on extension work was closely related but contrasted with the proportion which thought it had 'no influence'. It is noticeable that 20% of senior extension officers and 13.6% of extension agents indicated that they did not know about the influence of privatisation on extension work, perhaps because of constraints of communication and the sharing of information on policy decisions and the need for concrete evidence. Senior extension officers revealed some scepticism about privatisation because of the poverty of a majority of farmers and the uncertainty of being faced with competition from the private sector. In 1996 the public sector and private organisations were initiating for the first time, a number of partnerships in extension and some of the senior public extension officials could not imagine the influence this would have on extension work. Changes in agricultural policy emphasising professionalism, development of private sector linkages between farmers and agricultural merchants and suppliers, NGOs and other stakeholders affected the attitude of public extension staff and farmers. Privatisation is contributing to a changing structure of the agricultural extension sector especially with regard to diversification in the supply of services, cost-sharing, input distribution and competitive marketing. However, privatisation was criticised as a major cause of retrenchments, reduced prices for agricultural commodities, poverty and the proliferation of traders in the agricultural inputs sector.

Eighty-six percent of the senior extension officers, 68.2% of the extension agents and 55.7% of the farmers agreed that privatisation leads to organisational changes in extension. The changes included: the involvement of NGOs and private companies in providing advisory services, better management and availability of more farm inputs, improved crop varieties but also, unemployment in some cases Table 5.

The current change in the organisation of extension services was remarkable compared to the past, when the state subsidised farm inputs, and controlled their distribu-

**Table 5.** Privatisation leads to changes in extension organisation (% responses).

Category of respondents	Yes	No
Farmers (N = 114)	55.7	44.3
Extension agents (N = 26)	68.2	31.8
Senior extension officers (N = 14)	85.7	14.3

tion. Liberalisation of the fertiliser sector had attracted some businessmen who imported and sold at very high prices, paying little attention to technical guidance of farmers. Senior extension officers saw the changes in terms of the re-organisation of rural communities and granting of more responsibilities to the farmers. Successful implementation of privatisation in extension requires not only the support of senior extension officers but also political initiative, financial and institutional support, investment promotion and capacity building.

## IMPLICATIONS AND CONCLUSION

Privatisation was perceived as one aspect of reform of state-owned enterprises initiated under the economic adjustment programme aimed at reducing state spending. Private companies were involved in providing advisory services, though public sector funding and guidance remained essential to provide an enabling environment for all the stakeholders. Privatisation and cost-recovery programmes were introduced as a measure to relieve the financial pressure on the state, and also under external pressure from donors. The level of awareness among farmers about new organisational changes including privatisation and hence, the effects of government policy at the local level was high. Interestingly, the farmers showed a willingness to pay for extension services that were regular and relevant for improvement of their skills, farm production and income. A shift from receiving free advisory services to paying for such services implies that commercially-oriented farmers will be most capable of paying than subsistence farmers.

However, efficient farmer organisations may provide the opportunity for small farmers to co-operate and take advantage of the economies of scale with respect to payment for extension services. New government policies had brought about greater participation of private companies and non-governmental organisations in exten-

sion service delivery to farmer clients. This trend is increasing the effectiveness and sustainability of the information systems available to farmers, implying that farmer needs and demands will be reflected through market mechanisms including prices for information. Farmer attitudes would need adjustment from traditionally receiving free information and advice to payment for the services and therefore serious thought has to be given to ways of expanding their income-earning ability. The existence of several service providers implies that farmers will become more selective in seeking the advice they require with the possibility of influencing the direction of extension services and the type of information they need. Extension privatisation also implies that there will be a concentration on farming activities of direct benefit to farmers, with short-term goals, and a tendency to neglect long-term issues. These changes require that extension services be structured in ways that permit rapid interventions for the delivery of up-to-date and reliable advice at the farmers' requests, while ensuring that poor farmers are not left out. The training for extension staff will require adjustments in the level of specialisation to enable advisers cope with field problems and the changing needs of farmers. The conclusion is that privatisation is becoming a widely accepted organisational change and response that can offer alternative opportunities for efficiency, effectiveness and sustainability in extension service delivery. However, the economic efficiency which privatisation is supposed to bring about will depend more on how interested the new service providers and farmers perceive each other in the context of liberalisation.

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