

Aspects of Decentralization in rural activities

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Abstract: Public extension services are being forced to change. In the 1990s agricultural extension services were attacked for being inefficient, irrelevant, ineffective, and poorly targeted. The need for reform was obvious and national systems responded with three major strategies—privatization, decentralization, and program revitalization. Although cost reduction has been the force behind many changes, the principal objective of reforms should be an attempt to improve quality of services to clients. Decentralizing extension services, when implemented effectively, can transform extension and address a range of generic problems. Decentralized extension brings decisionmaking processes closer to clients and makes programs more responsive to user needs. Service providers become more accountable to clients and better oversight increases efficiency of operations. Decentralization itself can introduce a new dynamism in programs and can promote diversity in service providers and program approaches, thus serving as a first step toward privatization. Agricultural extension is a non-formal type of education that provides advisory services by the use of educational approach in acquiring knowledge and skills to deal with the growing needs of global world. Diverse agricultural extension funding and delivery arrangements have been undertaken since the mid-1980s by governments worldwide in the name of "privatization." When agricultural extension is discussed, privatization is used in the broadest sense – of introducing or increasing private sector participation, which does not necessarily imply a transfer of designated state-owned assets to the private sector. In fact, various cost-recovery, commercialization, and other so-called privatization alternatives have been adopted to improve agricultural extension.

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Introduction:

Un-fortunately in developing as well as low income countries agricultural extension has failed in diffusing new technology to its ultimate users (Government of Malawi, 2000) and further deterioration witnessed with the passage of time (Eicher, 2001). The failure of agricultural extension services for last decades is under constant pressure to be responsive to ever-growing challenges of food production.

Over the past two decades many countries have undertaken to decentralize government functions and transfer authority and responsibilities from central to intermediate and local governments, and often to communities and the private sector. Decentralization is potentially important to agricultural knowledge and information systems, but decentralization is not an end in itself, and successful decentralization strategies must address three challenges—establishing a national framework for decentralization, developing subsector approaches, and enhancing capacities of various participants for coproduction of decentralized goods and services. Agricultural extension services are under increasing pressure to become more effective, more responsive to clients, and less costly to government. Decentralization is an increasingly common aspect of extension reforms. Field extension advisory services are well suited to decentralized approaches, but a

comprehensive extension system requires a range of extension support services and programs, some of which (strategy formulation, training, monitoring and evaluation, specialized technical support) are often best carried out at the central level.

The prime challenges in the traditional public extension systems enlisted as outdated, top-down, paternalistic, inflexible, subject to bureaucratic inefficiencies that results less ability to cope with the dynamic demands of modern day agriculture (World Bank, 2002; Obaa et al., 2005). In some countries the change is occurring with its natural pace but in many developing countries these have been accelerated by structural adjustment reforms (Chapman & Tripp, 2003).

Like other developing country Pakistan is also an agrarian country, whose economy is highly dependent on agriculture having 23% share to GDP (Government of Pakistan, 2005). But still the performance of agriculture sector at the farm level remains significantly below the potential and limited due to the weak institutional formwork in disseminating agricultural technology to the farmers (Farooq, 2005). Research scientists evolving new methods and technologies to meet the challenges of new era and the farming community also has a potential and courage to adopt but the third component i.e. agricultural extension, which

serves as a technology transfer vehicle and play a significant role in increasing the productivity, farm incomes and ensure food security has been very much weak since independence (Luqman et al., 2004; Farooq, 2005). The extension services in the country have not been able to achieve their goals effectively, because of a number of bottlenecks. These include weak research-extension linkages, lack of adequate resources for on-farm demonstrations, poor mobility, inadequate research and training in extension methodology and lack of an effective system of continuing education for extension personnel at various levels (Sandhu, 1993). Among major field crops wheat, rice, cotton and sugarcane accounts for 90.4% of the value added in major crops and 37.1% of the value added in overall agriculture (Government of Pakistan, 2005). The low production of these crops depends upon a number of factors including ineffective and isolated agricultural extension system.

Decentralizing:

Decentralization as transfer of authority and responsibility for government functions from central government to intermediate and local governments, and often to communities and the private sector has become widespread over the 1980s and 1990s. Countries with diverse systems and traditions of government have pursued decentralization initiatives for many reasons, including especially the failure of government to meet expectations under centralized approaches to economic management and service approaches to organizing public administration. Though not yet widely applied to agricultural research and extension, decentralization strategies are potentially important to these agricultural knowledge and information systems. Decentralization is frequently viewed from one of two different perspectives (Johnson, 2000).

1. The democratic view emphasizes the aspect of empowering local people to control and direct their own public programs; and

2. The administrative view emphasizes the efficiency gains resulting from improved administration and effectiveness of public programs due to local control. Decentralization is generally expected to: encourage local financing and ownership of programs, result in more efficient and equitable allocation of government resources, provide incentives for production and service delivery, ensure lower-cost service delivery, build local capacity, and respond more effectively to local needs. (Khan, 2002).

For rural programs, decentralization offers hope for correcting the urban bias that results from the geographic dispersion of rural people, the difficulties for them to organize to promote their interests, and the discrimination against agriculture inherent in many country policy frameworks. Decentralization of agricultural extension and research seeks to increase

user participation in technology programs and make programs more accountable to users. (Eicher, 2001).

Enthusiasm for decentralization needs to be tempered with some caution. In small countries, decentralization may be unnecessary and in very large countries decentralization to the state or provincial level may still leave programs distant from user influence. Definitive evidence of the impact of decentralization is limited and not everyone benefits from any reform. Furthermore, decentralization does little to improve intraregional disparities, may bring oppressive elites into power, and can lead to greater inequalities in allocation of government resources.

Thus, decentralization has the potential to increase access to and cost of services, but specific targeting mechanisms and strong central oversight are needed to avoid inequities in service access and quality. (Farooq, 2005).

Public extension services are being forced to change. In the 1990s agricultural extension services were attacked for being inefficient, irrelevant, ineffective, and poorly targeted. The need for reform was obvious and national systems responded with three major strategies— privatization, decentralization, and program revitalization. Although cost reduction has been the force behind many changes, the principal objective of reforms should be an attempt to improve quality of services to clients. Decentralizing extension services, when implemented effectively, can transform extension and address a range of generic problems.

Decentralized extension brings decisionmaking processes closer to clients and makes programs more responsive to user needs. Service providers become more accountable to clients and better oversight increases efficiency of operations. Decentralization itself can introduce a new dynamism in programs and can promote diversity in service providers and program approaches, thus serving as a first step toward privatization. In addition, reforms to revitalize and privatize programs can accompany decentralization reforms, which generally involve: (World Bank, 2003).

- Administrative decentralization—moving responsibilities for extension to local levels of government;
- Political decentralization—expanding user influence on program priority setting, planning, and management; and
- Fiscal decentralization—giving financial management responsibility to local governments or requiring cofinancing from local governments and producer groups.

Extension services differ from research in two important ways that affect their potential for decentralization. First, extension advisory services (field

extension services) come in direct contact with clients and provide services that have a high private-goods content. These characteristics make field extension services a much better candidate for decentralization than research, which typically has a longer-term payoff. Local producers are more willing to commit resources to pay for effective extension services from which they realize immediate direct benefits. Still, there remains a need for other extension services to address “externalities”—environmental problems, food quality or safety concerns, or social equity issues (that is, special needs of small farmers)—that are in the public interest, but are not a priority for individual producers or decentralized institutions. This requires continued central support for extension. A second difference between research and extension is the scope and scale of programs. (Williamson, 2002).

Research institutions are generally smaller and more concentrated. Extension programs typically operate across the country, provide information on a wide range of technologies from various sources, and draw on traditional knowledge and farmer innovation to improve producer organization, management, production, and marketing functions. The broad demands on extension require strategies that incorporate a variety of approaches to providing services.

Despite the apparent suitability of extension service provision to be decentralized, they are often highly centralized. A World Bank study of 19 countries found that in the early 1990s 13 countries or regions showed almost no evidence of decentralization of extension services. Colombia, Jiangxi (China), the Philippines, and Nusa-Tenggara-Timor (Indonesia) were relatively highly decentralized, and Poland and Tunisia showed some decentralization. The study found that:

- When extension is decentralized there is a fairly good balance in fiscal, administrative, and political decentralization;
- Political decentralization (the role of elected officials) lags other elements of decentralization; and
- NGO involvement is moderate and farmer participation is significant in extension.

Underlying these conclusions was the fact that institutional development and civil society provide important support to decentralizing extension services. (FAO, 2001).

Government inability to sustain financial support for large extension systems has been a motivation for the many reforms that attempt to reduce public sector funding, introduce private financing, or eliminate government programs that compete with the private sector. Typically, these strategies tend to decentralize extension financing. Although an objective of many

decentralization reforms has been to reduce government expenditures, local governments generally have limited resources and limited ability to raise funds. Central governments therefore must usually continue financing for extension services through intergovernmental financial transfers (IGFTs), and must also finance the considerable costs of reform and local capacity development. This increases total financing requirements for extension, at least over the short term. Over the longer term, decentralizing extension services might reduce government financing requirements by: (1) increasing efficiencies through better oversight and greater flexibility in funding decisions and (2) increasing cofinancing by being more responsive, and demonstrating greater benefits, to users. Cofinancing grants (IGFTs) to local governments or farmer groups are an important element of fiscal decentralization, but they present two significant problems: (Chapman & Tripp, 2003).

- Many local organizations lack capacity to plan, manage, and evaluate extension programs and lack the contacts and financial management capacity to procure needed services; and
- Resource-rich farmers are better able to cofinance services and capture program benefits, even if program objectives are to assist weaker elements of rural society. Still, many new initiatives are using subgrants of various types for local subprojects, and future program design can draw on this experience. Decentralization programs must address these two problems. Training and orientation, program promotion, and support services are critical to enable target clients and local organizations to take over extension responsibilities under new decentralized systems. Later, as programs are implemented, a strong monitoring and evaluation system is needed to provide management with information necessary to understand who is benefiting from the program and what real impact it is having (Farooq, 2005).

Conclusion:

Decentralize extension services where possible, with emphasis on giving users control over program planning, implementation, and evaluation.

- Provide for adequate centralized support systems for decentralized extension services, especially support for training, subject matter specialists, and production of extension materials.
- Adapt strategies to local institutional environments to accommodate country legal frameworks, political traditions, administrative structures, and social and agroecological conditions. Extension strategies can emphasize decentralization when there is already a strong political decentralization in the country, but should proceed cautiously when decentralization is not

yet well established.

- Determine on a case-by-case basis whether decentralized services should be managed by local governments, community/producer organizations, or local governments in conjunction with producer/community organizations.
- Provide clear division of responsibilities between the different levels of government and other program participants.
- Develop procedures for policy formulation and priority setting in mixed systems to reconcile central government financing and policy objectives (poverty alleviation, food security, and environmental conservation) with local peoples' priorities that emerge from the decentralized program governance.
- Provide for needed fiscal transfers from central government to decentralized implementing agencies to finance decentralized extension services, recognizing that over the short term decentralization rarely reduces requirements for central government financing.
- Structure fiscal transfers to give users maximum influence over programs and to promote institutional pluralism in service provision. This empowers users and develops capacities in a range of public and private providers, such that the most competent institutions are able to provide the services.
- Provide for extensive planning, promotion of the rationale and principles behind reforms, and training in new operational procedures before launching decentralization reforms.
- Provide for needed investments in development of local capacity (local governments, executing agencies, community or producer groups), as such implementation capacity is critical to success of decentralization reforms.
- Establish effective systems to monitor and evaluate decentralized programs, and ensure that the data are available at all appropriate levels. Central monitoring should be sensitive to equity issues and the possibility of local elites capture of programs, thus excluding services to the poor or women.

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