From public to private: transforming subsistence farmers to commercial profit-oriented agribusiness

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There is growing awareness that subsistence agriculture cannot eradicate rural food insecurity and that small-scale rural enterprise is integral to inclusive economic development. Governments and development agencies are experimenting with alternative approaches to pluralistic agriculture extension with the demand-driven extension model gaining favour. Pluralistic extension services aim to transform subsistence farmers to commercial profit-oriented agribusiness. This paper uses a case study of Catholic Relief Services' private service provider (PSP) model against the backdrop of Zambia and Malawi's pluralistic extension policies. The research uses a mixed methods approach combining qualitative key informant interviews and focus groups, with quantitative surveys including the Malawi and Zambia Progress out of Poverty instruments and questions around the value of private service provision, trust and social capital.

We address larger development questions in debates on public versus private service provision, for example, do free agricultural extension services to the rural poor foster dependency and compromise agency? Are private sector services economically viable for poor smallholder farmers? The research findings highlight the complexities and critical issues involved in operationalising the neoliberal and participatory ideologies underpinning the shift to a user pays system. For this system to work smallholders must have the capacity, and the willingness, to pay for services from PSPs. Our case study reveals that smallholders have limited capacity for agribusiness risk, they focus on food security, and rely on multiple sources of small income (local agricultural labour, vegetable gardening, petty trading). Therefore, capacity building for smallholders to engage PSPs that support them to organise in groups, work cooperatively and undertake group marketing, make it easier to address economies of scale and to share risk, increasing their income and livelihood opportunities. Our research has found that smallholders are willing and able to pay for PSPs when these opportunities are realised thereby improving agency and the viability of paying for services.