



**BRIEFING
NOTE ON:**

**Insights on Effective Use of Public
Investmentsⁱ**

The case for using public funds for farmers and service providers to learn how to improve farmers' ability to demand services and service providers' ability to respond to farmers has always been clear. Learning not only builds capacity it also results in better ways of working in the field. All of which translates into small holder farmers getting services that directly contribute towards increased incomes. The learners from the farmer groups involved here, the Farmer Field Schools, the Farmer Unions have over recent years all experienced that learning pays. They are now saying that using the internet to share ideas and experiences increases the cost effectiveness of learning. Using the internet to learn adds value to their farming business through better marketing, better production techniques like organic vegetables, and starting new market oriented enterprises, like snowpeas. Raising incomes of small holders and stimulating market oriented farming not only contributes to public policies for poverty reduction but also policies for modernizing small holder agriculture. If internet support to learning can add value to small holder agriculture and, through rapid and cross boarder sharing, provide multiplier effects as appears to be demonstrated here a case can be made for using public funds here.

Making a case for using public funds to support the development and wide-scale use of internet supported learning is, however, much easier than knowing how to use such funds effectively. The mixed track record of 'tele-centres' in rural towns suggests that investment in telecommunications infrastructure alone is not enough. Infrastructure investments need to come in concert with public investment in the capacities of farmers and service providers to use modern information and communication technology. Investment in the capacity of farmers to demand information and agricultural advisory services will likely increase the effectiveness of any public investments in hardware. If anything the impact of similar investments in the

capacity of service providers to use the internet for learning would only be greater.

A major caution to donors and governments on effective use of public funds has emerged from our practice. Farmers, private service providers and even many public extension agents engaged in this learning programme favour private delivery of publicly funded agricultural advisory services. Furthermore, many favour the inclusion of farmers into a private service delivery sector dominated by small independent rural businesses. Public investments that resulted in large service provision monopolies would go against the grain of local demand as heard in this programme. A myriad of small rural businesses that compete with each other will result in a more vibrant and dynamic private service sector better able to reach most farmers according to the learners in this programme. Any public investment in the emergence of such a private service sector needs to be sensitive. Sensitive to the inevitable competition between private and public service providers that attends the transition from a publicly dominated sector to a privatized one. Sensitive to the differences in the way public and private organizations behave when it comes to finances and planning. Operationally this means a shift from giving funds directly to providers to funding clients to buy services from providers. Operationally this means a shift from supporting cost based project proposals with log-frames to supporting income stream based business plans.

ⁱ **For more information contact:**
clive.lightfoot@linkinglearners.net /
kevin.gallagher@fao.org / Ueli Scheuermeier at
uscheuermeier@dplanet.ch / Jacob.Nymand at
jwn@lr.dk

The 'LLL' internet learning support service can be viewed at <http://www.linkinglearners.net>. (Log in with username = guest and password = readonly)