



Rethinking the Traditional Concept of Livestock Services: A Study of Response Capacity in Thailand, Malaysia and Vietnam

Tuong Vu

EXECUTIVE SUMMARY

Dynamic markets have created opportunities and threats that demand livestock producers to innovate constantly. In this context, the traditional concept of livestock services that encompass research, extension, credit and veterinary programs is no longer adequate. This concept is too narrowly centered on technology with insufficient attention to actor linkages, patterns of interactions, institutions, information and marketing. It is also confined to services and service delivery but ignores larger issues concerning policies, institutions and the macro business environment in which producers operate. In regards to technology transfer, the old concept is based on an outdated top-down model.

This study develops the concept of “response capacity” which has recently been suggested as an alternative to the traditional approach to livestock services provision. Essentially this new concept places services in the broader context of changing markets and sectoral governance. It also takes account of not only producers but also government policies and production support systems. In this study, the concept will be broken down into three components, including producer response capacity, government response capacity and sectoral response capacity. The concept will further be tested with empirical evidence drawn from Thailand, Malaysia and Vietnam.

The study makes two main findings. First, the concept of response capacity explains not only the success of Thailand in becoming a world-class livestock producer but also its resilience in recovering from recent disease outbreaks compared to the other cases. Second, the concept is also useful in pointing out structural problems in all three countries that have hindered livestock sector development. Thinking in the traditional way would obscure these problems. However, because the traditional approach to poverty reduction has achieved success in some contexts and new approaches compatible with the response capacity concept have only recently been implemented, it remains to be seen whether they will work.

Based on the findings, the study makes five recommendations.

First, it is recommended that governments adopt a long-term vision of sectoral development and offer adequate political support for this vision. In addition, sector development initiatives must involve the institutionalized participation of all stakeholders or aim to create such participation while resisting populist programs or projects that serve only special interests. Stakeholders’ participation in policymaking and implementation is important not only for the sake of fairness but also to improve regulatory enforcement.

Second, government agencies should focus not on providing inputs but on delivering the right legal and regulatory framework for governing the market. Government regulators should keep in mind that regulations from micro-financing to drug management should not be just for the sake of

regulation, but must be made to promote production and trade. The right framework must balance the interests of various groups and must facilitate long-term sectoral growth.

Third, the concept of response capacity suggests a more participatory approach to service provision. Effective service delivery, especially in regard to research and extension, requires more systematic inputs from farmers. More broadly, top-down transfer of credit and technology should be replaced by horizontal exchanges among stakeholders. Rather than picking a commodity and relying on their own bureaucratic organizations to channel resources downwards, governments should focus on developing a micro-institutional framework that improves interaction among non-government actors.

Fourth, governments can raise producers' response capacity not only through traditional poverty reduction programs but also by allowing and encouraging farmers and other actors to organize, not only to share resources and information but also to build capacity, and to defend and promote their policy interests. Furthermore, because organizations differ in their ability to increase response capacity, it is important to choose the form of organization that is most effective. Autonomous organizations with a relatively homogenous membership and a cohesive structure are found to be the best form.

Finally, the paper notes the important role of an autonomous and vigorous civil society. Civil society contributes by promoting policy debates and offering forums for disadvantaged groups, and by acting as a knowledge broker. In addition, a vigorous civil society empowers consumers as a group; their demands in the long-term, force producers to take better consideration of social costs, environmental damages and disease risks, thus helping make livestock production more sustainable. Yet the most important benefit from a vigorous civil society is a higher level of transparency in policymaking as a result of public scrutiny. Transparency in turn helps prevent corruption and disease cover-ups which tend to protect state interests and the interests of powerful groups at the expense of smallholder producers.