

Disability and Self-directed Employment Business Development Models

edited by

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DISABILITY AND SELF-DIRECTED EMPLOYMENT Business Development Models

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Foreword

Henry Enns

Having a job is more than an income. It brings a sense of dignity and self worth. Self-directed employment is one option for providing a job and providing an income for disabled persons. The concept of utilizing micro-enterprises as a strategy for empowering oppressed people has largely originated in developing countries where governments have not had the capacity to develop affirmative action programs to promote the employment opportunities in regular labor markets. As a result, disabled people have had to develop their own employment opportunities. Self-directed employment opportunities have proven to be a powerful strategy for empowering disabled persons.

Whether one uses the term 'income generation' or 'micro-enterprise,' models of self-directed employment can be found all over the world. Yet, very little has been written about these models. Where information does exist it usually provides a limited or skewed perspective on self-directed employment as a strategy for empowering oppressed populations.

In order to build up an international knowledge base that would contribute towards the better understanding of successful models Disabled Peoples' International and The University of Calgary undertook a global study. This book provides a comprehensive perspective combining specific practical examples with theoretical and philosophical analysis in various countries. The study included 41 countries from both developed and developing regions. It provides a particular emphasis on how disabled people have utilized self-directed employment in promoting economic and social integration.

The over 500 million disabled persons in the world are among the poorest of the poor in all societies. The unemployment rate among disabled people in industrial countries is between 40% and 60% in

comparison with 10% for non-disabled populations. Many governments have initiated employment and job creation programs to assist people with disabilities improve their economic situation. Very often, they are still based on a charity model that creates embarrassment. Through income generating projects the disability movement in many developing countries has often gained economic independence and sense of dignity. When I visited Zimbabwe in early 1990, I saw a group of six disabled people starting a business that a few years later employed over a hundred people.

As developed countries are going through economic and market-place changes the micro-enterprise models started by disabled people in developing countries are receiving considerably more attention. This book will open new doors for disabled people to initiate new business ventures, as well as provide directions for policy makers and academics looking for new ideas. The ideas in this book could have a major impact in changing societies attitudes towards disabled persons and promote economic opportunities for integration into society.

Foreword

- Joshua Malinga

l assume that some of you would want to know where l come from, who l am and why l should write a forward on such an important subject as lncome Generation Strategies. This book is one of the first of its kind, looking specifically at specific initiatives undertaken either by or on behalf of disabled people. So, my intent is to give the reader some of the context out of which the research arose, and the reasons why the content are of great interest to those of us concerned about the participation of disabled people in the economies of their countries.

By way of introduction, I was born of very poor black peasant parents in Insiza (Zimbabwe) on April 28, 1944. I was attacked by polio in 1946 resulting in my two legs getting severely paralyzed.

So, I was born black, poor and grew up as a disabled person denied all opportunities that my brothers and sisters enjoyed as a matter of right.

I have been involved in the disability rights movement from the age of fourteen in Zimbabwe where I founded a powerful national organization of disabled people. I took part in the founding of Disabled Peoples' International (DPI), founded Southern Africa Federation of the Disabled (SAFOD) and also participated in the founding of Pan African Federation of the Disabled (PAFOD).

Currently I am the immediate past chairperson of DPI, immediate former Secretary General of SAFOD, immediate former mayor of Bulawayo City in Zimbabwe with a population of over a million people, and presently Secretary General of PAFOD.

Every organization has two arms. The campaign or political arm and the development arm.

The campaign arm is responsible for the formulation of policies and the philosophy and the development arm is for translating the philosophy and policies into practical actions in order to strengthen the organization and empower the membership economically. This is how the issue of income generating projects came about in Zimbabwe.

We started a very ambitious membership development programme to mobilize members in the urban and rural areas. We were telling disabled people that able-bodied people discriminated against them and excluded them from the general system of society through oppression, exploitation and charity systems which institutionalized them. It was very clear that they understood our political message but they were not committing themselves to becoming members because they did not have money, they were starving and they were poor.

We then realized that we could not 'preach to hungry people' and we realized that 'politics begins in the stomach and ends in the stomach'.

We then started organizing income generating projects or certain activities like recreation and sport.

All these activities assisted in organizing disabled people and integrating them into their communities and societies. People and the public judge others by their activities — and so are disabled people being judged by their activities.

Since disabled people are the 'poorest of the poor' it also means that the greatest number of unemployed people are found among the disabled.

Through our painful experience of poverty which leads to lack of dignity and humanity, disabled people started employment creation and income generating projects in order to create employment for themselves and generate income for their organizations and themselves. For anyone who has a job and has income, his or her status in society is enhanced.

Income 'opens doors and windows' to participate in all spheres of life, be it economic, social, political or cultural. Income is empowerment because people begin to listen to you and you are also able to donate to political parties and to influence social and political events.

There are also very good and cogent reasons why disabled people should have these projects. The first one, as I indicated, is to provide income and employment for themselves and the second one is to fund activities of the organizations since most organizations depend on donations for their survival. This is a dangerous situation because such funds may 'dry up' or be withdrawn for certain reasons. So it is important to find a permanent source of funds.

I must caution though that it is dangerous for a disabled persons organization to turn itself into a service provider. The movement must only engage in activities that make disabled people visible, that promote their image, that empower them.

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We must move away from traditional tasks like shoe repairs, leather craft, basket making, coil making, toilet attendants, lift attendants and car attendants. I mention these because these are the menial jobs which are traditionally reserved for disabled people in many countries.

As disabled people we must engage in modern day industrial and commercial projects like the big supermarket in Bulawayo, DEEDS Industries in Jamaica and the radio factory in South Africa.

I conclude by cautioning once again that the main activity for a movement of disabled people is to develop a grassroots democratic movement of the disabled so that they are full participants in their communities and societies. The movements need to reach all disabled people, not just a few. My dream is to see a big multi-national export and import company run and controlled by disabled people with branches all over the world and dealing in almost every known product, service or item.

This book illustrates the variety of forms that income generation initiatives might take, and the challenges that have to be overcome if disabled people are to take their legitimate place in society. It concludes with a framework for developing future projects. I encourage careful consideration of the findings, and a pursuit of the full inclusion of disabled people in the economic fabric of their societies. The struggle for economic empowerment can only be fought through income generating projects.

PREFACE

The Motive for the Study and Plan of the Book

The Motive

Towards the end of the Decade of Disabled Persons a number of us, including the senior author and Henry Enns, then Executive Director of Disabled Peoples' International (DPI), entered into a series of discussions addressing the question: 'what international initiative would serve as a suitable conclusion to the Decade, which could also serve as a lasting benefit to persons with disabilities in all parts of the world?' We settled on the notion of undertaking a study on the issue of economic independence and, in particular, on what we then referred to as 'income generation.' There already had been a series of studies on the relationship of poverty to disability, and the various barriers which impede the ability of disabled people from participation. Within high-income countries a variety of studies had also examined issues affecting entry into wage employment, as well as a large literature on supported and sheltered employment. The concept of income generation had appeal in that it applied to remunerative activities in informal as well as formal economies, and had the potential of being of equal relevance to both low- and high-income countries. A problem with the term 'income generation,' though, was that it could apply to any kind of work which leads to income. In the course of subsequent discussions with the Executive Committee of DPI, Mr. Willi Momm of the International Labour Organization (ILO) and others, we further refined the study's orientation to one of examining what in this book is referred to as 'self-directed employment.'

Virtually no research had been done on this topic prior to the present study. The earliest work found was that of Malcolm Harper and Willi Momm's case study of fifty-three disabled persons from Africa and Asia reported in a booklet called *Self-employment for Disabled People* published in 1989. Between then and the present study only three other studies appeared to have been undertaken. All four focussed

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on the experiences of individuals who had become entrepreneurs through their own drive and determination. None took a systematic look at specific strategies contributing to self-directed employment when drive and determination were not sufficient.

The specific purpose of this study differed from previous ones in that it sought to find and examine examples of systematic approaches to promoting self-directed employment. These were to be 'best practice' examples to the extent they might be found, though we also encouraged inclusion of others known not to be particularly successful as well.

Based on information in hand at the beginning of our study it was apparent that the most significant experiences were to be found in low-and middle-income countries, though it was not at all clear how wide-spread such experiences had been. Little information was available on experiences in high-income countries. Since no country had listings of employment creation initiatives that could be drawn on for selecting the study sample, the prospect of finding appropriate initiatives seemed something like looking for 'black holes' in space.

In the end, the task was less daunting. No Hubble space telescopes were required. Use of a networking strategy, and by following up on leads provided by a large number of helpful informants from member organizations of DPI, from the ILO, and from interested individuals in governmental and non-governmental organizations in the various countries, researchers were able to identify a sizeable number of initiatives for examination.

A Note about Terminology

There is some confusion and, hence, controversy amongst those concerned with disability as to the most appropriate way to use terminology so that the people involved are not devalued. Some argue that the phrase 'person with a disability' is the most person sensitive in that it emphasizes the person first and places the disability in its proper context. This phrasing has been accepted as appropriate by a sizeable number of organizations of and for disabled persons in North America, as well as by governments, journal editors and others.

However, there are others who argue that saying 'person with a disability' is fundamentally illogical, and that 'disabled person' is more appropriate. This second line of argument has been put forward by Disabled Peoples' International in the context of international discussions on definitions of the terms 'impairment,' 'disability,' and 'handicap.' In this context, there is a wide-spread consensus that the term 'impairment' refers to a particular limitation of function a person may have as compared to a normative reference group and, hence, could be viewed as an attribute of the person. So, phrases connoting that a

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person has a sensory, or motor or cognitive impairment would be correct. 'Disability,' on the other hand, is defined as the resultant experience on encountering social or physical barriers that don't accommodate the specific impairment a person may have. In this sense, disability results from a failure of the social and/or physical environment to accommodate the person with the impairment, and therefore it is illogical to propose that the person has the disability since the disablement occurs as a result of factors outside of the person.

In the main, this book adopts the latter logic on usage of the term 'disability.' As will be evident from the chapters in Part I, the issues to be addressed in pursuing economic integration of disabled people in large measure arise from sources outside the person, and it is these that contribute to the disablement of people with the various kinds of impairments.

Approach to the Study

Cross-national studies present a number of challenges. Differences in language and culture mask a variety of other differences — in definition of terms related to the same or similar topics, in policy and funding patterns, in the kind and degree to which information is available, and in the organizational infra-structures which exist that will enable one to access sites or projects of potential interest. This is true even when two countries have in common the same language and similar approaches to governance. When countries differ in language as well as approaches to governance, then the potential room for error of interpretation increases. Low-income countries, compared to high-income countries, also have a very limited organizational infra-structure which means that little if any information is centrally collected by either governmental or non-governmental organizations.

Challenges such as these are not insurmountable; but, they have to be kept in mind in devising a research strategy. Based on prior experience in conducting cross-national studies (e.g. Neufeldt et al., 1985), it was evident that certain kinds of data and approaches were more easily adopted than others. In general, the more finite and specific the kinds of information one wishes to compare, the less easy it is to do so with any degree of confidence unless in-depth and exhaustive studies are undertaken. Conversely, more global themes derived from interviews and observations are more easily comparable. That is, quantitative information on discrete events or topics is less likely to be reliable for cross-national comparison than macro-level and qualitative information if one takes care to ensure common definitions of concepts prior to the collection information.

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The general strategy adopted for this project was a case study approach. Data collection guides were developed to help frame the kinds of information to be acquired by researchers from each of the cases identified and pursued. We were interested in both commonalities and uniquenesses of experience across countries. The data collection guides provided a means to gain such observations. To ensure some common understanding of project purpose and data collection procedures, meetings were held with researchers prior to data collection.

Project Advisory Committee

A Project Advisory Committee was set up at the outset of this project in consultation with DPI. Members of the Committee included three representatives of the disability community with extensive international experience (Henry Enns, Irene Feika and Kalle Konkkola) and a government-based professional with extensive experience with the international disability community as well as employment issues (Andre Leblanc). Three of the four were from Canada, and were involved in telephone conference calls at the beginning of the project to provide input and advice on the direction of the project, the kinds of questions and issues pursued, and avenues to the selection of researchers. Materials were couriered to the international member for comment.

The Advisory Committee served several functions. First, it ensured that the direction of the project and issues pursued were sensitive to the enhancement of conditions for disabled people. Second, the Committee's experiences in various parts of the world provided an invaluable set of contacts in identifying potential researchers, the means to identifying plausible income generation projects to examine, and so on. Third, the committee was a source of advice for methods of data collection, terminology and other matters of a procedural nature. Fourth, the Advisory Committee read the manuscript and provided advice on how best to present the information for the widest possible distribution.

Selection of Researchers

Researchers were selected in consultation with regional representatives of DPI and the ILO. Funding for this project allowed for the hiring of researchers expressly to examine initiatives in low- and middle-income countries. Researchers from participating high-income countries obtained resources from domestic sources. Given these variances in funding, the approaches adopted were as follows. In low/middle-income regions one researcher would examine initiatives in several countries. In high-income countries researchers reported on developments within their own country.

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Selection of Cases for Study and General Procedures

Since the central interest of this study was to identify the kinds of strategies that enable people with disabilities to achieve self-directed employment, and models of approach that seem to offer some success, researchers were asked to identify key projects or initiatives which:

- 1. demonstrated a planned and systematic approach to involving disabled people;
- 2. led to income generation as a result of such initiatives;
- 3. resulted in the setting up of micro-enterprises, worker co-operatives, and other forms of self-directed employment; and,
- 4. held the promise of providing some representative and/or unique contribution to the overall study.

The selection of income generation initiatives to be examined was left largely to the researchers, although there was extensive consultation with the Director and Project Coordinator.

While no definitive statement can be made as to the representativeness of cases selected for examination, we have some confidence that the results being found are reasonably representative for the following reasons: the number of cases identified which meet our criteria is quite sizeable (well over one hundred in all); a broad variety of approaches are illustrated within the cases examined; and, there is considerable variability in the extent to which various of the initiatives succeeded in achieving their aims.

The Plan of the Book

The chapters of this book are organized into four sections. Section I sets the context in which self-directed employment is emerging. Chapter 1 defines self-directed employment, demonstrating the need for disabled people to have access to this option, and provides a framework of the relationship between the disabled person, the market place, and government policy makers. Chapter 2 places the emerging interest in self-directed employment in a historic context, a history where illusions of disability have shaped public policies to be discriminatory. It is only with recognition of civil rights as a basis for policy that self-directed employment has emerged as a legitimate option in high-income countries.

Sections II and III focus on the evidence—the findings of the research conducted by 14 researchers in 41 countries around the world, 34 of which are low-income and 7 high-income. Each of the thirteen chapters describes a sample of approaches used in one region or

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country, and includes specific case illustrations of both successful and non-successful approaches.

Section IV draws conclusions from the strands of information presented in the studies described in previous sections, as well as from other initiatives which were examined by researchers but not summarized in chapter form. The objective of this section is to gather together the threads from the various initiatives examined to formulate a picture of what has been learned. Chapter 16 provides a summative picture of the more than one hundred cases examined, and the strategies of approach that seemed to contribute to successfully supporting self-directed employment. The final chapter draws from all of the findings to present what seem to be the four foundation stones essential for initiatives seeking to enable disabled people become self-employed, and provides a number of suggestions and recommendations that seem evident from both the projects examined and research in related fields.

No project of this nature is possible without the support of many, many people. We would like to thank all those who contributed to the success of this research project — from sponsoring organizations, to funders, to researchers, to the providers of information. In particular, we appreciated the financial support from Human Resources Development Canada, the International Development Research Centre and the Voluntary Fund for the United Nations Decade of Disabled Persons which made the coordination of this project possible, along with data collection from low- and middle-income countries. As well, we gratefully acknowledge the financial support received by researchers in high-income countries, and the in-kind contributions of the member organizations of DPI, the ILO, various government and non-government organizations and others who provided leads to the finding of self-directed employment initiatives.

Finally, we thank representatives of various projects and initiatives studied during the course of this study who freely gave of their time to provide the information requested. And, a final, final thank you to Lindsay Watson who assisted us with the project from the very beginning and spent countless hours on various drafts of the manuscript: and, to Pauline Lai at Captus Press for her careful fine-editing. Thank you one and all.

Aldred H. Neufeldt with Alison L. Albright

PART I

Self-directed Employment: Introduction and Context

CHAPTER 1 Economic Integration: The Challenge

Aldred H. Neufeldt

Ms. Singer had a talent for both clothing design and sewing. It was her burning ambition to find work which would make use of her creative abilities. She had three goals: to generate enough income so that she could be self-supporting; to be recognized as a clothing designer; and, to maintain her creative autonomy. Ms. Singer recognized that having an income and the satisfaction of seeing satisfied customers buying the clothing she designed would make a dramatic improvement not only to her lifestyle, but also to her sense of self-worth. The third wish, to have some control over her own creative ideas, was important in that it symbolized a sense of personal empowerment. In short, finding work in her chosen field would provide Ms. Singer with increased confidence in her abilities and a bolstered sense of identity.

Talent and ambition she had; but, when she tried to put her ideas into practice, she encountered a series of barriers. Ms. Singer had a physical impairment and some associated health conditions which limited her mobility. Although she made a number of attempts to pursue her goals, each ground to a halt when she encountered what seemed like overwhelming obstacles. Simply getting to appointments to discuss her career ideas was a problem as transportation often was not accessible to her. Should she manage to attend a meeting, she often found that the people with whom she spoke had little faith in her ability to meet production deadlines.

One or two individuals suggested she take a regular salaried job, but this didn't seem like a promising solution

for a number of reasons. Jobs were in short supply, so simply to find one suitable for her was a problem. Then, Ms. Singer's physical impairments and health made it difficult for her to stay in a place of work outside her home for lengthy periods of time. As well, she was determined not to make her creative impulses subservient to someone else's direction.

A more personally satisfying alternative for Ms. Singer would have been to set up a small business in or near her home. To this end, she enquired about a bank loan to establish a studio in a small area in a building next door. She was told by the bank, though, that without assets and some guarantee of a market for her products she would be ineligible. Given all of these barriers, Ms. Singer despaired of ever achieving her ambitions.

One day an acquaintance mentioned having heard of a new organization in town called SelfStart. Its purpose was to support disabled people in becoming self-employed. A phone call indicated that, yes, she might be eligible. The organization provided specific training in how to develop a business plan, helped access a start-up loan with reasonable repayment conditions, and could give advice on how to market her products, inventory control and personnel management matters.

With help from SelfStart Ms. Singer obtained a small loan which provided enough money for rent for six months and enough cloth to make her first clothing samples. She borrowed a sewing machine from a relative, and launched her new business. The first items of clothing were made for the local market. The attractiveness of the designs and the quality of her work made her clothing an instant success. Within six months she had a list of requests from a few small outlets in neighbouring communities. Now she had a problem, given her health and physical impairments. The demand was beginning to outstrip her personal capacity to respond. She decided to hire sewers, first one and then a second, to take care of the busy work while she concentrated on design, marketing and quality control.

Five years later Ms. Singer has a thriving business. Sales have continued to grow, and her products are available in selected stores throughout the country. To keep up with demand she employs thirty sewers, a full time marketing person and a bookkeeper. She has a bias in favour of hiring disabled people, so half of her work force is comprised of people who had problems in finding employment similar to hers. She also continues to be a strong supporter of SelfStart, serving on its board of directors and enabling others with disabilities to become self-employed. As to her own business, she sees

continuing growth in the future. In keeping with a new image, the company has been named Singer Enterprises. 2

Ms. Singer's early experiences are common to disabled people the world over. Of an estimated 500 million people in the world who are disabled as a result of mental, physical or sensory impairments (United Nations, 1982), less than half are part of the economic main stream, and only a very small portion have had the option of pursuing self-directed employment. For a variety of reasons disabled people have found it inordinately difficult to participate in the economic benefits of their countries to the same extent as those with no disabilities. This has been true in both low- and high-income countries, though citizens of low-income countries often face the greater disadvantage.

Ms. Singer was fortunate. She had access to a support organization which had as its goal helping disabled people become self-employed. Without their help it is doubtful whether Singer Enterprises would ever have gotten off the ground.

A reality is that up until the recent past the idea that disabled people might run their own businesses was not even part of public consciousness. There were exceptions, of course. Some individuals with motor or sensory impairments have achieved success in business through their own efforts and with opportunity on their side. To others, people such as this often seem to be heroic figures who have risen above the calamities that have befallen them. Alternatively, in some parts of the world, a disability might become the reason to pursue begging as a means of livelihood — a form of self-employment generally frowned upon in many societies. Whether a captain of industry or a mendicant, these individuals have been seen as apart from the mainstream of society.

Within the past decade, though, the idea has gradually emerged that disabled people might be just as interested as non-disabled in setting up and running their own businesses. A growing number of initiatives in various parts of the world have emerged seeking to enable disabled people to generate income through their own enterprises. The purpose of this book is to document some of these initiatives and examine some of the factors that contribute to their success.

Before saying more about the content covered by this book it would seem useful to give some context to the work that was undertaken. Towards that end there follows a definition of self-directed employment, and an idea of both the extent of prior research in the area and some of the reasons why looking at strategies leading to self-directed employment is important. The chapter concludes with a framework illustrating the inter-relationship between the major actors which affect the likelihood of self-employment initiatives being successful.

SELE-DIRECTED EMPLOYMENT

The most common option thought of when considering an enterprise controlled by disabled people, is that of self employment. Other options are possible though. Consequently, the term 'self-directed employment' is used throughout this text to allow for a much broader variety of alternatives.

Definition

By self-directed employment is meant income generating work where disabled people, to a significant degree, have a prime decision-making role in the kind of work that is done, how time is allocated, what kinds of investment in time and money should be made, and how to allocate revenue generated.

Self-employment in most contexts refers to a situation where a person is the sole proprietor of a business, a professional service, an agricultural or similar enterprise. Though self employment is likely the most predominant form of self-directed employment, it also includes such other options as: a group of persons with disabilities jointly, or in collaboration with others, operating their own small business; worker cooperatives where members have decision-making control over the affairs of the organization; and, organizations of disabled persons forming business subsidiaries which create work for their members. All of these have the essential feature that the people taking responsibility for doing the work also have a significant say in how the work is organized and managed.

Cautions and Possibilities

It should be said at the outset that self-directed employment is not for everyone. Entrepreneurial enterprise involves risk of failure, with little other than one's personal resourcefulness as a cushion. Consequently, disabled people considering self-directed employment need to take into account the same market-place factors as anyone else. There also may be a risk of exploitation. One of the reasons why some leaders of disabled peoples' organizations in high-income countries have avoided self-directed employment as an option has been a concern that their peers might be induced to provide home-based sub-contract work for low paying industries — a form of sweat shop.

At the same time, self-directed employment is one option of several that a person might wish to consider when pursuing remunerative work. It is not unreasonable to assume that disabled people have no less an inclination towards entrepreneurial enterprise than those without obvious disabilities. All things being equal, one would think it reasonable to find self-employed disabled people at about the same rate as others. At present that seems not to be the case. One report found that in Canada only 3% of disabled people in the labour force defined themselves as self-employed, compared to 14% of persons without disabilities (Neufeldt, Stoelting & Fraser, 1991). No similar data seemed to have been reported from other countries at the time our study began.

In fact, there may be some unique reasons why seeking self-directed employment as an option may make sense to a given disabled person. For example, it may be easier to construct a work pattern that accommodates specific impairments or makes one's disabilities irrelevant through the self-employment option than through wage employment. Such was at least partly the case with Ms. Singer.

Policy makers and disabled peoples' organizations also might be interested in self-directed employment for several reasons. First, reference already has been made to the small amount of attention given to participation in this sector of the labour force by disabled people, particularly in economically industrialized countries. The common, though unwritten, assumption seems to have been that persons with disabilities might not be interested in small scale entrepreneurial enterprise. In contrast, significant strides have been made in a number of low-income countries towards enabling people such as Ms. Singer to realize their self-employment aspirations (cf. Harper & Momm, 1989). Since the topic is potentially of equal interest to both third and first world countries, there is an opportunity to share experiences and information between countries and regions of the world. Second, the number of examples where self-directed employment by persons with disabilities has been systematically pursued, while still relatively small, is increasing. With the growing amount of experience one would think it timely to examine the kinds of models of approach that have emerged, and determine the factors which contribute to their success. Third, just as there are barriers to wage employment it is evident that there also are barriers which hinder the pursuit of self-directed employment by disabled people. This prompts the question as to what these barriers are, and how they might be overcome.

A GAP IN RESEARCH

The recency of interest in self-directed employment is nowhere clearer than in the available literature on employment of disabled people. While a substantial amount has been written on sheltered employment, vocational rehabilitation and, more recently, on issues related to accessing employment in the open labour force, virtually nothing has been written on self-employment. For example, a scan of *PsychLit*, an abstracting service which covers much of the literature pertinent to disability related research, from January 1987 through March 1993 found 8,431 abstracts on handicap, disability and related terms. Of these, 343 were related to sheltered employment or vocational rehabilitation, and 1,051 on topics related to work, jobs or employment. There was only one reference to self-employment, and that reference included the term as an aside. A similar search of *EconLit*, the abstracting service which covers economic and business literature, found no references to self-employment and disability.

Conversations with researchers, policy makers and disability rights leaders in various parts of the world led to the identification of four written documents on the topic, all very recent. One by Harper and Momm (1989) presents a series of case studies of self-employed individuals with disabilities in low- and middle-income countries. The other three involved interviews or surveys of small groups of disabled self-employed people in high-income countries (Doutriaux et al., 1992; Fleming, Pilliing & Povall, 1992; Krasner & Krasner, 1991). Only the first of these was written at the time our study began.

In short, the topic of self-directed employment by disabled people represents virgin territory in more than one way. There not only has been a gap in research interest, there also seems to have been little thought given to the idea that disabled people might be interested in being in charge of their own day to day work.

THE LINK BETWEEN POVERTY AND DISABILITY

Perhaps the most compelling reason why self-directed employment should be studied as an option is that other measures by themselves have as yet made a relatively modest dent in the well documented relationship between disability and poverty. A very high proportion of disabled people, as compared to others, live their lives in poverty in most countries of the world. The experience in high-income countries has been well documented, as described below. Less well documented is the experience in low-income countries.

Disability and Poverty in High-income Countries

In a study examining public policy towards disabled workers published a decade ago, Haveman, Halberstadt and Burkhauser (1984) compared the experiences of the United States with that of several European countries. They found that, in terms of labor market participation, disabled people were at a serious disadvantage relative to persons without

disabilities. Persons with disabilities were less likely to work, and when they did it was more likely to be part-time. In the USA at the time of the study the average wage rates were only 60% of those without disabilities. Disabled people in countries such as the Netherlands and Sweden, which have more generous income support policies, tended to be relatively better off; but, disabled people were still disadvantaged in comparison to the population norm. A more recent report from the USA examining the period 1981 to 1988 found that disabled people had only a 31.6% participation rate in the labour force compared with 78.9% for non-disabled people, and among those in the labour force the employment rate was more than double (14.2% vs. 5.8%) (reported by Metts & Oleson, 1993).

A recent study of labour force participation in Canada provides more precise data than that which was available to Haveman. A population-wide study called the Health and Activity Limitation Survey (HALS) compared the employment experiences of disabled and non-disabled people (see Cohen, 1989, 1990; Furrie & Coombs, 1990), Disability was defined as any restriction in the '... ability to perform an activity in the manner or within the range considered normal for a human being." Using this definition, 13% (1 in 8) of Canadians of all ages were considered disabled. Of adults in their prime working years (age 15 to 64). 11% or 1.8 million people were disabled. The rate of disability was strongly related to age, with smaller portions in the younger years rising to a rate of roughly 80% by age 85. With poverty defined as an annual income of \$10,000 (Canadian) or less, 56% of adults with disabilities aged 15 to 64 were found to be poor, as compared to 44% of non-disabled persons. The definition of income included revenue from all sources including government income support, insurance benefits and pensions. Of the 1.8 million working age adults with disabilities. 51% were not in the labour force compared to 22% of non-disabled persons. A critique of the survey from a consumer perspective, points out that these data over-estimate both the presence of disabled adults in the labour force as well as the proportion in poverty because individuals in sheltered workshops or living in residential institutions were under-represented in the survey.

Very similar data are reported from Australia (see United Nations, 1990). In the age range 15–64, 51% of disabled males were not in the labour force as compared with 13% of all males; and, 44% of disabled males were employed compared to 83% of all males. For disabled females in the same age range 72% were not in the labour force and 24% were employed, compared with 47% not in the labour force and 48% employed amongst all females.

Japan's Ministry of Health and Welfare conducts a survey once every five years on the conditions of physically disabled persons aged 18 and above. The definition of physical disability includes impairments of vision, hearing, limb or trunk, and is estimated to involve about 3.5% of Japan's adult population. One retrospective review of these survey results indicates that the employment rates of physically disabled adults from 1960 through 1987 has remained between 50 and 65% of the employment rates of non-disabled adults (National Vocational Rehabilitation Center for the Disabled, 1991). For disabled persons aged 18 to 64 years of age the employment rates were somewhat higher, but they still were in the order of 70 to 80% of non-disabled persons. A recent report prepared for the Organization for Economic Co-operation and Development (OECD) estimates that only 30% of people with physical disabilities are employed (OECD, 1990). The employment rate of persons defined as mentally disabled in Japan is considerably lower.

The British experience echoes that of other countries. Recent estimates are that only 31% of physically disabled adults under retirement age are employed, and 61% are outside the labour force altogether (OECD, 1990). Colin Barnes (1991) marshals a wealth of additional data which show that: "when disabled people do find work the majority find themselves in poorly-paid, low-skilled, low-status jobs which are both unrewarding and undemanding — the type of work which has been termed 'under employment'" (p. 65). For example, only half as many disabled as non-disabled male workers occupy managerial or professional positions. For women, the most significant difference is found in the semi-skilled and personal service sectors. "There is a heavy concentration of disabled women in ... routine clerical work and the service sector, notably cleaning and catering" (compared to non-disabled women) (p. 66).

In short, once one takes into account differences in definition, gender and data collection methodologies, it appears that for high-income countries disabled people are employed at a rate roughly one half that of non-disabled people, and at least twice as many disabled as compared with non-disabled people are not in the labour force. Furthermore, when employed, there is a greater tendency for disabled people to be under-employed relative to their levels of training.

The Situation in Low-income Countries

Reliable data from low-income countries is much more difficult to secure. Typically, there are no systematic means of collecting data on labour force participation, let alone on the experience of persons with disabilities. When records are kept, the reliability and validity of the data collected usually is open to question, particularly given the

large informal economies that exist in most such countries. These and other factors make it difficult to find information on the relative rate of employment (or, economic participation) of disabled and non-disabled persons. For instance, the *Disability Statistics Compendium* published by the United Nations (1990) contains survey and census data on various aspects of disability from 50 member countries. Of these, only 16 countries provided information on employment characteristics of disabled persons, four of which might be classified as low-income countries. None of these four provided information such that one might be able to compare the experience of disabled with non-disabled persons.

A common observation, however, is that in low-income countries disabled people are amongst the poorest of the poor (Malinga, 1992). The following observations drawn from Driedger and Gray's (1992) anthology by women with disabilities makes the point.

Very few, if any, blind girls have the chance to receive any kind of education. Some may be given religious instruction of a limited kind. However, this is more to inculcate in them resignation to their fate rather than to accomplish anything else. ... So the blind girl leads a vegetable existence with nothing to look forward to. except a dependent life as a burden on the charity of parents or relatives. (Fatima Shah, 1992, p. 20)

People with disabilities who are also beggars are visible. ... From birth or accidental injury they have been destined to occupy a place at the fringe of society, resigned to their status as beggars. Physically disabled women among them are outwardly bold. Sometimes they display their contorted limbs ... in a way that will attract the pitying eyes of those who pass by. ... Still lower in status are mentally disabled women who have run away or, sometimes, been driven from the shelter of their home to scavenge off garbage heaps in towns and cities. (Bonita Janzen Friesen, 1992, p. 39)

Similar stories might be told from other poor countries in Africa, Asia and Latin America/Caribbean regions of the world. Certainly not all disabled people are beggars (mendicants); but, poverty is a massive problem none-the-less, compounded by traditional social attitudes which promote a state of dependence. Since low-income countries have a relatively small wage sector, self-directed employment options seem particularly relevant for disabled people.

Discrimination and Disabled People

A number of reasons might explain why disabled people are less likely to be in the labour force than others. For example, it could be argued that they have a lesser degree of education and therefore are not as likely to be hired. Neither this nor other similar explanations stands up to careful scrutiny.

A closer examination of the education issue illustrates an essential point. It is true that, on average, disabled people receive less education and are likely to leave school with fewer qualifications than others (cf. Barnes, 1991; Neufeldt & Mathieson, 1995); however, this does not by itself explain the differences in labour force participation. Neufeldt and Mathieson (1995) summarized the available data from Britain, Canada and Hong Kong, with the Canadian data most relevant to this topic. Disabled people with less than Grade 9 had an employment ratio of less than 17% (compared to 55% for non-disabled persons), while those with university degrees had an employment ratio of 50% (compared to 87% of all university graduates). 'Employment ratio' refers to the ratio of persons who have a job, irrespective of kind of job.

Generally speaking, anyone with an elementary education was at a disadvantage when seeking employment as compared to university degree holders. However, disabled people were at a much greater disadvantage. Even with a university degree there continues to be a large discrepancy in employment rates between disabled and non-disabled persons.

The essential point is that differences in economic participation between disabled people and others are so universal and so systematic, one is forced to conclude that discrimination is a cause. Discrimination can be thought of as occurring at three levels:

Direct discrimination, which means treating people less favourably than others because of their disability;

Indirect discrimination, which means imposing a requirement or condition on a job, facility or service which makes it harder for disabled people to gain access to it; and,

Unequal burdens, which means failing to take reasonable steps to remove barriers in the social environment that prevent disabled people participating equally. (Bynoe, Oliver & Barnes, 1991)

The evidence already presented provides evidence of at least 'indirect' if not 'direct' discrimination being operative; but, there is more. A variety of barriers to economic inclusion routinely are reported in both high-income and low-income countries by disabled peoples' organizations. Most, if not all, of these could be removed or prevented with

a modest amount of conscious planning. The barriers commonly reported include the following.

- 1. Transportation to and from places of work frequently present a problem, particularly for people with sight, mobility or intellectual impairments.
- 2. Work places frequently are not physically accessible steps up and down present problems for people with mobility impairments, and the way in which work sites are set up often present problems for people who have difficulty reaching or moving about.
- 3. Disabled people often have had much less opportunity to learn appropriate work skills than do their non-disabled peers (particularly in the case of persons who have their impairment from birth or early in life). Such lack of learning opportunity severely limits the kinds of employment options they can pursue.
- 4. Underlying the above kinds of barriers are the attitudes of people in the market place, in neighbourhoods and amongst family members' that disabled people are not capable of making a livelihood. Such attitudes, though frequently demonstrated to be wrong, continue to influence all facets of the environment within which disabled people live.

Additional barriers exist if one wishes to pursue self-directed employment. A social attitude which prevents people disabled early in life from learning work skills, also prevents the acquisition of an entrepreneurial attitude and business management skills. A social attitude which assumes that disabled people are incapable of work also limits their access to business start-up funding. These and other barriers have severely limited the potential of becoming self-employed even when the interest was there.

Differences between high- and low-income countries do exist, of course. In high-income countries disabled people have many more employment opportunities than in low-income countries. As well, high-income countries usually have tax supported entitlements such as income supports, health care, subsidized technical aids, and so on, so that most disabled people at least have their base subsistence and health needs met. But, there is a paradoxical effect to publicly funded entitlements. They can become disincentives to entry into the labour force. Typically, disabled people are at risk of losing a significant portion of their benefits on entering wage employment. Most governments have provisions such that a person receiving benefits is allowed to earn a small income. Once one earns more than the ceiling amount, income security is reduced and health care related benefits are at risk of being

lost completely. Because such benefits are essential for enjoying a reasonable quality of life, a significant portion of disabled people understandably become reluctant to jeopardize their very livelihoods.

For example, a person using a wheelchair for mobility who also has associated health conditions such that an aide is required several times a day to assist with toileting, eating and bathing, may have support needs costing in the order of US\$30,000 or more per annum. To compensate for the loss of benefits such as these one would either need a position in an enterprise with a very generous benefit plan or earn the income of a relatively senior professional or management position, or both. To forego one's entitlements for a salary that is even marginally above one's living and support needs is asking disabled people to take a major gamble — especially when there is a risk that one might again lose one's job, and that it would take considerable effort and time to re-establish one's entitlements.

Persons seeking to become self-employed face similar potential losses, with the added challenge of having to replace loss of benefits out of their own earnings. Given that in the normal circumstance it takes from two to five years for a new enterprise to become financially viable, and given the added barriers faced by persons with disabilities seeking to become self-employed, one might understand that the aspiration to be in self-directed employment would seem daunting for many.

The typical situation in low-income countries is somewhat different. Persons with disabilities are usually considered to be the responsibility of their family or relatives. State-funded entitlements such as income support, health care or technical aids rarely exist. Some rehabilitation services may be available, but these often are traditional in outlook and available to very few. If the family is not in a position to look after their disabled member's subsistence, or chooses not to, then he or she lives in a very precarious condition. Non-governmental organizations funded from international aid sources have jumped into the breach; but, at best, these can only be viewed as temporary solutions for the small portion of disabled people they reach.

Impact of Exclusion from the Labour Market

In both high- and low-income countries the observation is that disabled people find themselves participating to a lesser degree in the economic well-being of their countries than do persons without disabilities. The ultimate impact on both the people involved and the countries economies is considerable.

The person with a disability who is not able to participate in the economy is affected in two ways. First, having a job is a significant definer of adulthood in most societies. Not working means that one

has great difficulty in defining one's social role for others in response to the simple question often asked during introductions: "what do you do?" Low income and/or the absence of work as a socially valued role is one of the most visible indicators of economic and social exclusion. Second, and harder to measure, are other factors that accompany economic dependence such as loss of personal identity and self-esteem. Working means that one is contributing towards the well-being of society. Not working means one is taking away from it. In this context the notion of self-directed employment can be seen as a significant contributor to a sense of personal empowerment. Indeed, the two biggest single reasons why self-employment was chosen amongst disabled people in high-income countries surveyed by Doutriaux et al. (1992) were: "to be autonomous" and "to do work I enjoy ... to be creative," reasons which are similar to those given by non-disabled people choosing self-employment.

The impact on the economies of the countries can also be substantial. If 11 to 15% of the population are limited in their ability to participate in the labour force for arbitrary reasons, that means the country loses not only its creative potential but also the revenue from lost productivity. In an era when there is world-wide concern about enhancing productivity, the real pity would be not to find ways of releasing the creative potential of this underemployed sector of the world's economy.

THE ACTORS IN THE PLAY

Three very different actors have an immediate role to play when one pursues self-directed employment — the person and her/his household, the market, and the state. These three actors represent very different social institutions each of which contribute to the total welfare of society. As such they have been of interest both to economists (cf. Evers & Wintersberger, 1990; Evers, 1990) and to advocates concerned with the integration of persons with disabilities into their societies.

The **person/household** is the prime actor when seeking employment. In most initiatives, it is up to the person and family to initiate the process of seeking an appropriate career. The person/household also represents the immediate context in which individuals and families live. The nature of this context and the constellation of individuals included varies somewhat from one society to another — some people live in households of one person, others live in households ranging from two to many people, and include various mixes of gender and age depending on the place, culture and personal choices made.

Households have their own economies which include not only the direct earnings brought in, but also informal non-cash contributions members make to each other whether instrumental (such as mending clothes and fixing household equipment) or affective (such as giving personal support and counsel in times of distress). The importance of such support is substantial as has been demonstrated by extensive research showing the important role that families and friendship networks can have in either detracting from or supporting not only one's career prospects, but also one's personal health and sense of self worth. Ms. Singer had a reasonably clear view of her own talents and skills, an important beginning point which many people seeking work don't have. She also had two personal characteristics which served her well — drive and perseverance. As a challenge, she did have to take into account the implications of her impairments. Towards that end a family and friendship network supported her by providing a sympathetic ear when she encountered barriers, counsel when asked for, and some help around the house from time to time.

The market is the place where one seeks a job and the place where self-employed persons sell their goods or services. It is also the place where one purchases what is needed, where one makes banking arrangements, and so on. Economists generally think of the market as the realm of the private sector (both formal and informal) which drives the economy in a free-market context. From the perspective of persons with disabilities, it is the market place that has presented a variety of barriers preventing full inclusion into a country's economy and, thereby, prevented full citizenship. For Ms. Singer the market included the bankers who turned down her loan applications — and also her eventual customers and product distribution networks.

The **state** is most concretely represented by the organized forms of government within countries, from local through national levels. The state creates policies which influence the market place, and usually undertakes various regulatory activities intended to maintain the well-being of a country and its citizens. The state also is involved in setting policies which directly affect persons with disabilities. For example, Ms. Singer lived in a context where the state had not taken measures to guarantee the availability of resources as a matter of right.

Each of these three actors relates to the other as illustrated in Figure 1.1. That is, persons/households have an impact on both the market and the state, the state has an impact on both markets and persons, and the market similarly impacts the other two. The closer one moves towards the person/household, the more informal and private the arrangements that are made. Movement towards the state and market is a move towards more formal and public arrangements. There

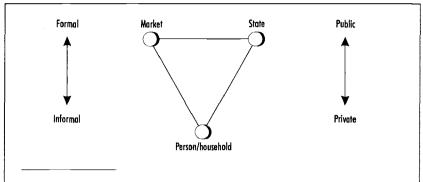
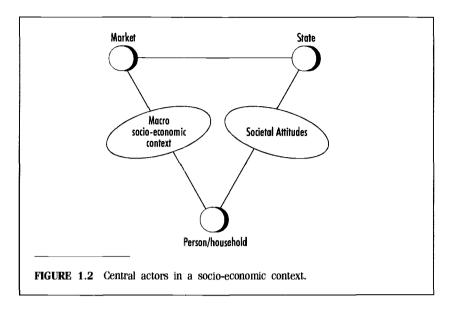


FIGURE 1.1 Relationship of central actors involved in pursuing self-directed employment (from Evers, 1990).

also are somewhat different values associated with each of the three actors. Typically, people value choice, a sense of community, and their privacy (though the definition of each vary somewhat from culture to culture). The market place tends to value cost efficiency, choice, and anonymity. States are generally valued for their contribution to security and equality.

However, these three actors are not immune to other forces which intrude on and may even distort their relationship as in Figure 1.2. One set of forces that immediately affects the prospects of whether or not an enterprise will succeed is the nature of the **economic and social context** that exists, both domestically and internationally. Prevailing domestic conditions such as natural and social resources available, geographic location in the world (which relates to ease of ability to conduct trade, for example), and a country's competitiveness with other countries, its rate of inflation, and so on have a marked impact on both the kinds of businesses begun as well as on their prospects of success.

A second force affects disabled people in particular; namely, the nature of **social attitude** towards disability. Other social attitudes also may be important; but, disabled people historically have been victimized by beliefs which have severely limited their ability to participate as equal members of society. When Ms. Singer first entered the market place she encountered stereotypic assumptions about her inability to be able to do a job well because of her disabilities. Her experience is like that of many others where it seems the presence of impairments overshadows all her other attributes. Social attitudes such as Ms. Singer encountered at various stages of her job search and business development impact not only the person directly, but also the state in terms



of the kinds of social policies formulated, and the market place in terms of decisions that are made there.

A problem with the notion of 'social attitudes' is that they are fundamentally ephemeral, difficult to tackle and begging the question as to source. Attitudes and values are held and put into practice by individual people. To alter them means that one has to seek to influence many individuals. Clearly, some individuals more than others have the capacity to shape the prevailing attitudes and propose alternatives. For this reason it seems reasonable to propose a fourth actor as being part of the context and influencing both the perceptions and practices of state, market and person/household — an 'ecclesia'.

An 'ecclesia' may be defined as a shaper of opinion and practice. In the era of ancient Greek states, an ecclesia was a legislative assembly. More recently, the term has come to be equated with the governing power in a church, usually addressing matters of belief and practice. It is precisely in the sense of 'governing power ... addressing matters of belief and practice' from publicly esteemed sources that the term ecclesia is proposed as appropriate when considering the history of social policy in relation to disability.

By proposing the concept of an ecclesia it is not suggested that one particular group of individuals holds it in their sole power to influence the existing attitudes and practices pertaining to disabled people. That would be too simplistic. The term ecclesia should be thought of in the collective sense, just as the term 'market' is a construct that represents a domain of collective activity. In every era

there have been groups of individuals who have had a more predominant role than others in shaping the prevailing opinions of the time, including those of people in governments and in business, as well as those of citizens at large. The ecclesia at any given point-in-time, is whichever category of individuals is accepted as knowing most about disability and the related implications for society.

It also would be a mistake to assume the source of prevailing wisdom has been a constant one. A review of various writings examining the history of attitudes towards disabled people suggests that such sources have shifted from time-to-time and it is still in the process of change (cf. Barnes, 1991; Enns. 1981; Finkelstein, 1980; Foucault, 1973; Scheerenberger, 1983; Thomas, 1977; Tooley, 1983; and Wolfensberger. 1969, 1980). In traditional societies the shapers of opinion about social phenomena often were (and still are) priests or shamans or other religious leaders. At various times in history, shapers of public opinion have been military leaders, at other times leaders of business and marketplace interests. With the growth in importance of scientific discovery, particularly since the mid-nineteenth century, people deemed to have expertise in various areas of knowledge have had significant influence. As it pertains to disability, the shapers of opinion often have been associated with professions such as medicine, psychology or social work. It is only very recently, largely since World War II, that consumer groups (families of disabled persons and disabled persons themselves) have begun asserting themselves in shaping public policies and. as such, are beginning to be a force to be considered within the ecclesia.

Figure 1.3 illustrates the relationship as one in which the ecclesia's influence is shown as indirect (illustrated by the dotted lines) but nevertheless pervasive. Given that change typically is a slow process, it might be noted that the practices which currently exist are, to a significant degree, a legacy of the past; and, the current study of self-directed employment represents one element of creating a change which enables more equitable economic inclusion of disabled people in the marketplace.

A Framework

The actors as outlined provide a framework for thinking about the context in which self-directed employment exists. The same context exists for all types of employment, but since this book is particularly about self-directed employment, that is where we place our attention. In that sense the framework provides a set of guideposts against which to examine the available knowledge as well as the findings from our study.

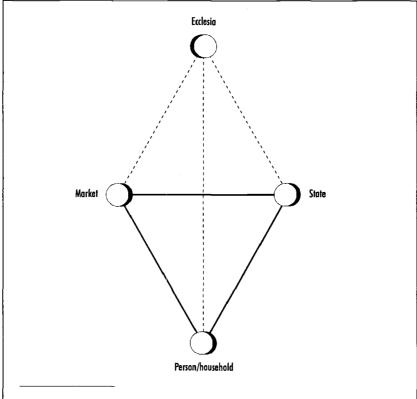
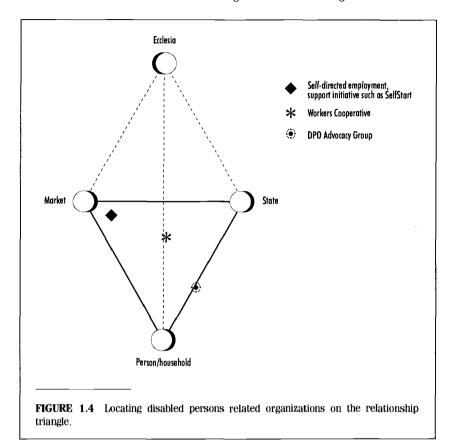


FIGURE 1.3 The indirect and pervasive influence of the 'ecclesia' on the economic well being of disabled people.

The framework also provides a way of making visual and more understandable the efforts made by any of the parties, whether individually or collectively. For example, Ms. Singer encountered a series of seemingly insurmountable barriers until she obtained the assistance of SelfStart. SelfStart provided a bridge between the person/household and the market, as illustrated in Figure 1.4. The efforts of other groups can be located in a similar way. The activities by organizations of disabled people (DPOs of) brings together the efforts of a number of disabled people for support and to actively pursue change in their situation within the state—locating such self-help groups on the axis between persons and state. When a group of individuals bands together forming a workers cooperative, the cooperative occupies an intermediate status because such cooperatives not only have the active involvement of persons, they usually operate under specific legislated provisions of the state, and are in the market place.



The various actors and forces as described appear frequently throughout the book in various forms. Countries differ in the kinds of policies they have and the kinds of socio-economic environments they provide. Comparisons between countries, as well as within, show a variety of different strategies have been employed when experimenting with self-directed employment. The chapter following and the final chapter touches on the framework in a number of ways as the findings of this international study are examined.

CHAPTER 2 Socio-economic and Policy Contexts

Aldred H. Neufeldt

SINGER ENTERPRISES GOES INTERNATIONAL

By the end of its fifth year Singer Enterprises had grown to the point that Ms. Singer began exploring export options. An acquaintance had suggested her clothing might capture the interest of buyers elsewhere since they were attractive, well made and of good value.

Consultation with a representative of The Export Agency, a quasi-public enterprise set up by the government in collaboration with private sector companies, provided both some encouraging news and cautions. Of encouragement was information that The Export Agency would work with her to seek out appropriate brokers for exporting the clothing produced by Singer Enterprises, and provide consultation and advice on setting up contracts with selected brokerage firms covering topics such the pricing of goods, production delivery schedules, the responsibilities of the brokers, and what would happen if either party were to default on their part of the contract. Finally, The Export Agency would also help her arrange a test market during an upcoming annual trade show sponsored by the government.

Ms. Singer also learned that The Export Agency would make periodic 'quality control' site visits to her sewing centres. Their reasons were that, since the country was largely dependent on exports as a source of revenue, the government was very concerned that high quality control standards and production targets be met once export contracts had been signed to ensure an ongoing positive reputation as a reliable source of products. Should Singer Enterprises be found at risk of not being able to meet the terms of contracts, then

support would be withdrawn. Further, it was up to Singer Enterprises to adequately capitalize its production capability.

None of these cautions unduly concerned Ms. Singer since she too wished to maintain a high standard in the company's work; but, they did cause her to reflect more carefully on her personal and corporate objectives. In the end, she sought and obtained a loan to expand her production capacity, and signed several export contracts. After two years the number of sewers employed by Singer Enterprises had grown to seventy, and her clothing was received with such enthusiasm abroad that Ms. Singer was awarded an award as 'small business exporter of the year' by The Export Agency.

During the intervening time Ms. Singer acquired something of an understanding of her country as contrasted with others. First, she learned that the timing had been fortunate. Start-up of her export efforts coincided with a growth in interest on the part of high-income countries to import more of their clothing from countries such as hers. Second, she saw that though her own efforts were important, the success of Singer Enterprises depended in good measure on social and economic factors much beyond her control, and that the government of her country was quite enlightened as contrasted with many governments elsewhere. Even though resources were very limited, it had taken a number of progressive steps such as passing legislation prohibiting discrimination against disabled people, setting up The Export Agency to promote exports by small companies, and providing educational opportunities for an increasing portion of the country's population. These and other actions contributed to an environment where business opportunities might be taken advantage of.

Chapter 1 described the dismal employment situation faced by disabled people throughout the world, and the discriminatory environment that exists. This chapter examines the social, economic and policy contexts in those countries sampled for the current study, and their implication for self-directed employment.

A brief word of introduction to what follows. Each country is unique, and the opportunities for disabled people vary immensely, as will be evident in later chapters. Yet, some broad, generalizeable descriptions are helpful to understanding both the challenges and the opportunities there are to promoting economic inclusion. The social and economic environments within which people live very immediately affect the opportunities that are perceived to exist. Somewhat more removed are the policies formulated (or not formulated) by governments.

The social and economic descriptions provided are of a statistical nature, derived from international sources. Given that the mere mention

of statistics causes the eyes of many people to glaze over, and that some of the statistics cited below could be interpreted as downright depressing, I began this chapter with the continuing story of Singer Enterprises. The intent of this chapter is to neither bore nor leave the reader totally depressed, but rather to provide some beacons of hope in a context where hope is often difficult to find. Singer Enterprises gives tangible evidence that there is hope to be found.

Before going further, a small confession is in order. The story of Singer Enterprises is fictitious. That is, there is no single entity on which the story is based. Let me hasten to add, though, that the story in fact reflects the experiences of a number of real examples found in our study, some of which are highlighted in the chapters following. Various elements in the story are a composite of real life enterprises found in a number of countries located in different regions of the world. Women played a leading role in a significant portion of the enterprises; and, the clothing industry was only one example of international market success. So, while the context within which disabled people live often seems overwhelming in its challenges, there are enough examples from different continents suggesting that ways can be found to overcome the challenges that exist.

A second purpose of the Singer Enterprises story is to introduce the important role that the state plays in helping potential entrepreneurs, particularly those who have been marginalized in their countries because of an impairment, deal with the social and economic environments in which they live. Of the four actors introduced in Chapter 1 — the person/household, the market, the state and the ecclesia — one has a particular defining role in relation to the others; namely, the state. An essential government role, if its people are to prosper, is to establish policies, laws and regulations that shape the context within which economic opportunities arise. What is clear from our study, as will become more evident in later chapters, is that those countries in which the best self-directed employment initiatives were found also were those where some conscious attempt had been made to develop policies inclusive of disabled people. No country could be said to have nearly achieved such an objective, but the presence of a supportive social and policy environment seemed an essential pre-condition.

SOCIAL AND ECONOMIC ENVIRONMENTS IN RICH AND POOR COUNTRIES

People around the world are acutely conscious of the economic environment within which they live. For example, in many high-income countries there currently is considerable concern that changing economic conditions are forcing cutbacks in government expenditures on such publicly funded programs as health, welfare, education and supports for independent living. These had come to be assumed as a given ongoing responsibility of governments. In low- and middle-income countries disabled people haven't had the opportunity for such worries. There have been few if any publicly funded entitlements, with education often difficult to access, health care less than optimal, and social welfare virtually non-existent. Rather, there is an acute awareness that the opportunities for survival, let alone economic thriving, are much greater in high-income countries than their own.

Yet, opportunities for economic inclusion exist in all countries, though the factors to be taken into account vary considerably. These include population characteristics such as density and growth rate as they relate to level of income, and social characteristics such as a country's level of education or health (The World Bank, 1992; United Nations Development Programme, 1992; ILO-ARTEP, 1990).

Tables 2.1 and 2.2 describe the countries included in our study on these kinds of social and economic indicators. Included were rich and poor countries, some that were geographically large and others that were small, some densely populated and others that were not. This diversity gave a richness to the contexts from which our impressions of self-directed employment initiatives could be drawn. These social and economic factors also highlight in stark terms the significant challenges faced by disabled people in many parts of the world, some of the more salient are discussed below.

Definitions of Economic Prosperity

The first factor of note having some implication for opportunity is the relative wealth of a country. Prosperity of itself doesn't necessarily provide disabled people with supports nor remove barriers, but the availability of money certainly is helpful.

The definition of a country's income level is determined by the gross national product (GNP) per capita of a country's economy. A general definition of the GNP is that it reflects the total value of goods and services produced by a country (its gross domestic product — GDP) plus the net amount of income brought into that country from abroad (see The World Bank, 1992, p. 287 for a more precise definition). The GNP when divided by the total population of a country becomes its 'per capita GNP'. These are converted into international equivalents using US dollars as the standard. The 'per capita GNP', then, provides a means of categorizing countries according to their relative wealth.

Based on 1990 data, the definitions of high-, medium- and low-income countries was as follows:

- low income were those with a per capita GNP of \$610 or less:
- middle income were those with a per capita GNP of more than \$610 but less than \$7,620; and,
- high income were those with a per capita GNP of \$7,621 or more.

Using this measure, seven of the countries in our sample fell in the high-income category, and 34 in the low- and middle-income categories. Compared against all the United Nations related countries on which data is collected, the average per capita GNP of the seven high-income countries in our study was slightly lower than the overall average (24 countries in number); and, the average per capita GNP for the 30 low/middle-income countries in our study for which data was available was slightly higher than that of all low- and middle-income countries (see Table 2.1). A comparison of the high- with low/middle-income countries in our sample shows that the average per capita income in the high-income countries was more than 20 times higher than that of the peoples of low/middle-income countries.

These numbers are a little misleading, though. According to sources such as the United Nations Development Programme (UNDP), the GNP does not account for the relative domestic purchasing power of currencies. For example, converting francs, pesos or baht into US dollars doesn't really tell one how equivalent each is in purchasing bread, rice or other necessities of life in those countries where the currencies are used. As a more accurate measure of the relative value of earnings in each country the UNDP has developed a second measure, that of a 'real gross domestic product'. This Real GDP gives a picture based on 'purchasing power parities' expressed in international dollars (see UNDP, 1992, p. 209).

With the Real GDP as a measure, the gap between rich and poor countries narrows somewhat. Even so, the average Real GDP in high-income countries is still more than seven times higher than that in low/middle-income countries.

Furthermore, disabled people in some low/middle-income parts of the world are at a greater disadvantage than in others. Examination of Table 2.1 shows, for example, that not only do people in African countries have the lowest average level of income, they also have the lowest relative purchasing power of any region in the world. Put another way, not only are African countries amongst the poorest of the world, the citizens of these countries also get less for their money than people in other low- and middle-income regions. Given the extent of poverty, there is a challenge for disabled people living in low-income countries to even think of themselves as a potential part of the economic fabric of their country, let alone see themselves as achieving success in the international market place.

TABLE 2.1 Basic indicators of high- and low/middle-income countries studied in self-directed employment project.

	Area (000s of km²)	Population mid-1990 (millions)	Population/km²	Average annual growth of populatio 1980–90 (%)
A. HIGH-INCOME COUNTRIES				
Australia	7,687.0	17.1	2.2	1.50
Canada	9,976.0	26.5	2.6	1.00
Germany	357.0	79.5	222.7	0.10
Japan	378.0	123.5	326.7	0.60
Singapore	1.0	3.0	3000.0	2.20
United Kingdom	245.0	57.4	234.3	0.20
United States	9,373.0	250.0	26.7	0.90
Mean of High-Income Countries Sampled	4,669.3	142.3	135.9	1.80
All High-Income Countries	31,790.0	816.4	133.7	0.60
B. LOW- AND MIDDLE-INCOME COU	NTRIES			
1. AFRICA				
Cameroon	475.0	11.7	24.6	3.00
Ethiopia	1.222.0	51.2	41.9	3.10
Côte d'Ivoire	322.0	11.9	37.0	3.80
Kenya	580.0	24.2	41.7	3.80
Lesotho	30.0	1.8	60.0	2.70
Malawi	118.0	8.5	72.0	3.40
Mauritania	1.026.0	2.0	1.9	2.40
Senegal	197.0	7.4	37.6	2.90
South Africa	1,221.0	35.9	29.4	2.40
Swaziland	1,221.0	33.7	27.7	2.40
Tanzania	945.0	24.5	25.9	3.10
Zambia	753.0	8.1	10.7	3.70
Zimbabwe	391.0	9.8	25.1	3.40
Mean of African Countries Sampled	606.7	7.8 16.5	34.0	3.14
2. ASIA				
Bangladesh	144.0	106.7	741.0	2.30
India	3,288.0	849.5	258.0	
Indonesia	1,905.0	178.2	93.5	2.10 1.80
Nepal	1,705.0	17.6.2	73.5 134.0	2.60
Philippines	300.0	61.5	205.0	2.40
Sri Lanka	66.0	17.0	205.0 257.6	
Thailand	513.0	55.8	257.8 108.8	1.40 1.80
Mean of Asian Countries Sampled	888.0	183.9	254.0	2.10
3. LATIN AMERICA/CARIBBEAN	1 000 0	70	,,	0.50
Bolivia Brand	1,099.0	7.2	6.6	2.50
Brazil Calandria	8,512.0	150.4	17.7	2.20
Columbia	1,139.0	32.3	28.4	2.0
Costa Rica	51.0	2.8	54.9	2.4
Dominica El Caluador	49.0	7.1 5.0	144.9	2.2
El Salvador Grenada	21.0	5.2	247.6	1.4
	100.0	0.0	04.4	0.0
Guatemala	109.0	9.2	84.4	2.9
Guyana Handuras	1100	F1	AF F	2.4
Honduras Ja maica	112.0 11.0	5.1 2.4	45.5 218.2	3.4
Jamaica Nicaragua		2.4		1.3
	130.0	3.9	30.0	3.4
Peru Trinidad	1,285.0	21.7	16.9	2.3
	5.0	1.2	240.0	1.3
Mean of Latin Am/Caribb Sampled	1,043.6	20.7	94.6	2.3
All Low/Middle-Income Countries	78,919.0	4,146.0	107.9	2.0
World	133,342.0	5,284.0		1.7

TABLE 2.1 continued....

	GNP/capita dollars 1990	Real GDP/capital 1989 (PPPS)	Average annual rate of inflation 1980–90 (%)
A. HIGH-INCOME COUNTRIES		-	
Australia	17.000.0	15,266.0	7.4
Canada	20,470.0	18,635.0	4.4
Germany	22,320.0	14,507.0	2.7 ^b
Japan .	25,430.0	14,311.0	1.5
Singapare	11,160.0	15,108.0	1.7
United Kingdom	16,100.0	13,732.0	5.8
United States	21,790.0	20,998.0	3.7
Mean of High-Income Countries Sompled All High-Income Countries	19,181.4 19,590.0	16,079.6 16,079. 0	3.9 4.5
B. LOW- AND MIDDLE-INCOME COUNT	RIES		
I. AFRICA			
Cameraan	960.0	1,699.0	5.6
Ethiopia	120.0	392.0	2.1
Câte d'Ivaire	750.0	1,381.0	2.3
Kenya	370.0	1,023.0	9.2
Lesatha	530.0	1,646.0	12.7
Malawi	200.0	620.0	14.7
Mauritania	500.0	1.092.0	9.0
Senegal	710.0	1,208.0	6.7
South Africa	2,530.0	4,958.0	14.4
Swaziland	2,405.0	4,,,,,,	• • • • • • • • • • • • • • • • • • • •
Tanzania	110.0	557.0	25.8
Zambia	420.0	767.0	42.2
Zimbabwe	640.0	1,469.0	10.8
Aean of African Countries Sampled	653.4	1,478.2	13.0
P. ASIA			
Bangladesh	210.0	820.0	9.6
India	350.0	910.0	7.9
Indanesia	570.0	2,034,0	8.4
Nepal	170.0	896.0	9.1
Philippines	730.0	2,269.0	14.9
Sri Lanka	470.0	2,253.0	11.1
Thailand	1,420.0	3,569.0	3.4
Aean of Asian Countries Sampled	560.0	1,821.6	9.2
LATIN AMERICA/CARIBBEAN	200.0	.,-20	<u>.</u>
Balivia	630.0	1,531.0	317.9
Brazil	2,680.0	4,951.0	284.3
Calumbia	1,260.0	4,068.0	24.8
Casta Rica	1,900.0	4,413.0	23.5
Daminica	830.0	3,399.0	21.8
El Salvadar	1,110.0	1.897.0	17.2
Grenada	3,673.0	.,	
Guatemala	900.0	2,531.0	14.6
Guyana	1,453.0	-,	
Handuras	590.0	1, 50 4.0	5.4
Jamaica	1,500.0	2,787.0	18.3
Nicaragua	.,===	1,463.0	432.3
Peru	1,160.0	2,731.0	233.9
Trinidad	3,610.0	6,266.0	6.4
Nean of Latin Am/Caribb Sampled	1,470.0	3.048.0	116.7
II Law/Middle-Income Countries	840.0	3,047.0	61.8
	U1U.U	3,047.0	14.7

·	Age structure of population 16–64 years 1990 (%)	Labour force 1988–90 (as % of total population)	Women in labour force 1988–90 (as % of total population
A. HIGH-INCOME COUNTRIES			
Australia	67.1	63.8	41.4
Canada	67.8	50.3	44.3
Germany	68.8	48.3	39.8
apan	69.7	51.7	40.6
Singapore United Kingdom	70.9	48.6	39.0
Jnited States	65.4 66.1	49.5 49.9	42.6 45.2
Mean of High-income Countries Sampled All High-income Countries	68.0 67.2	51.7 48.8	41.8 43.7
B. LOW- AND MIDDLE-INCOME COUNTRIE			,
I. AFRICA			
Cameroon	49.9	38.5	29.6
Ethiopia	50.2	42.7	41.6
Côte d'Ivoire	50.1	37.6	34.4
Kenya	47.3	40.3	40.3
Lesotho	53.1	46.3	43.8
Malawi	50.7	42.0	41.8
Mauritania Concord	52.1	33.4	21.7
Senegal South Africa	50.6	33.5	26.0
Swaziland	57.8	36.0 35.5	33.3
Tanzania	50.3	35.5 46.8	40.0 48.3
Zambia	48.5	31.5	46.3 28.7
Zimbabwe	52.0	40.6	35.0
lean of African Countries Sampled	51.0	38.8	35.7
ASIA			
Bangladesh	54.0	30.4	6.5
India	58.7	37.9	25.6
Indonesia	60.3	42.6	39.9
Nepal	54.9	40.5	33.8
Philippines	56.8	36.0	37.0
Sri Lanka	62.7	43.2	37.3
Thailand	63.1	55.7	46.9
ean of Asian Countries Sampled	58.6	40.9	32.4
LATIN AMERICAN/CARIBBEAN Bolivia	F4 3	22.2	
Brazil	54.1	31.1	23.8
Columbia	66.9 60.6	43.2 43.0	35.1 40.7
Costa Rica	59.7	38.0	40.7 28.5
Dominica		37.5	41.8
El Salvador	52.7	42.0	44.7
Grenada		39.9	48.6
Guatemala	51.8	33.5	25.5
Guyana	_	35.7	21.0
Honduras	52.1	30.3	18.3
Jamaica N	59.3	37.5	31.0
Nicaragua Port	51.5	34.4	33.6
Peru Trinidad	58.3	41.9	33.1
	60.6	38.7	27.3
ean of Latin Am/Caribb Countries Sampled	57.1	37.6	32.4
Low/Middle-Income Countries Sampled	59.7	43.9	32.5
orld	61.1	45.0	35.1

TABLE 2.2 continued....

	Percentage of labour force in			
	Agriculture 1986–89	Industry 1986–89	Services 1986–89	
A. HIGH-INCOME COUNTRIES				
Australia	5.3	16.4	78.3	
Canada	3.4	19.4	77.2	
Germany	3.5	30.2	66.3	
apan	7.1	23.7 29.0	69.2 70.5	
Singapore	0.5 2.1	27.0 20.1	70.5 77.8	
Jnited Kingdom Jnited States	2.8	18.4	78.8	
	3.5	22.5	63.9	
Mean of High-income Countries Sampled All High-income Countries	11.0	26.9	62.1	
B. LOW- AND MIDDLE-INCOME COUNTRIES				
I. AFRICA		• -	01.5	
Cameroon	74.0	4.5	21.5	
Ethiopia	79.8	7.9	12.3 26.5	
Côte d'Ivoire	65.2	8.3 6.8	26.5 12.1	
Кепуа	81.0 23.3	33.1	43.6	
Lesotho	23.3 81.8	3.0	15.2	
Malawi Mauritania	69.4	8.9	21.7	
Senegal	80.6	6.2	13.1	
South Africa	13.6	24.4	62.0	
Swaziland	74.0	9.0	17.0	
Tanzania	85.6	4.5	9.9	
Zambia	37.9	7.8	54.9	
Zimbabwe	64.7	5.6	29.7	
Mean of African Countries Sampled	63.9	10.0	26.1	
2. ASIA	56.5	9.8	33.7	
Bangladesh India	62.6	10.8	26.6	
Indonesia	54.4	8.0	37.6	
Nepal	93.0	0.6	6.5	
Philippines	41.5	9.5	49.0	
Sri Lanka	42.6	11 <i>.</i> 7	45.7	
Thailand	69.8	5.9	24.3	
Mean of Asian Countries Sampled	60.1	8.04	31.9	
3. LATIN AMERICAN/CARIBBEAN		10.0	33.9	
Bolivia Barrit	46.5 29.3	19.2 16.0	54.7	
Brazil Columbia	29.3 1.7	21.4	76.9	
Costa Rica	25.4	18.2	56.4	
Dominica		-		
El Salvador	8.2	21.8	70.0	
Grenada				
Guatemala	49.8	12.3	37.9	
Guyana	27.0	26.0	47.0	
Honduras	60.4	16.1 11.5	23.4 63.2	
Jamaica Managaran	25.3 46.5	15.8	37.7	
Nicaragua Poess	40.5 35.1	12.3	52.6	
Peru Trinidad	11.8	14.9	73.3	
		17. 1	52.3	
Mean of Latin Am/Caribb Countries Sampled	30.6 60.9	17.1 12.7	26.4	
All Low/Middle-income Countries Sampled World	48.5	16.3	35.2	
	1U.J	10.0	VV.2	

Implications of Changes in Population Characteristics

A second set of factors impacting disabled people differentially in the countries sampled have to do with basic changes in population. The first three columns of Table 2.1 present data on the area of land mass, the total population, and the population density per square kilometer for the 41 countries under consideration. Column 3 is the most informative for our purposes in that population density per square kilometer figures provide an equal comparison base across countries.

There were very densely populated countries both amongst highand low-income countries sampled, just as there were low density population countries amongst both. On average, high-income countries turned out to be more densely populated than low- and middle-income countries. The average for high-income countries as shown in Table 2.1 excludes Singapore because its 3,000 people per square kilometer of population would have unduly skewed the results. Even India, which in western countries is often thought of as very densely populated, is not that different in population density from such high-income countries as Japan, Germany or the United Kingdom. Indeed, the Netherlands (not part of our sample) has a density of over 400 persons per square kilometer.

What this suggests is that population density by itself is not necessarily a major factor to consider when contemplating the economic well-being of disabled people. It is the advantage that is taken of the opportunities available that appears more important.

A more significant consideration relates to the rate of population growth. Where high-income countries differ to a significant degree from low/middle-income countries is in the rate of population growth. The average annual growth of population amongst all high-income countries between 1980 and 1990 amounted to 0.6% (see World Bank, 1992 for detailed information). For the seven high-income countries in our study, the equivalent rate was 0.9%. In contrast, the average annual population growth rates for all low- and middle-income countries in the world was 2% in the same decade. African countries frequently had a growth rate of more than 3% per year. In other words, the population in poor countries of the world grew three to five times more rapidly during the 1980s than did the population of rich countries.

The good news, according to the United Nations documents cited, is that these population increases can be attributed to gains that have been made in living standards, sanitary conditions and public health practices. People are living longer in virtually all countries, and death rates from both natural and unnatural causes are decreasing. The bad news is that poor countries are facing even more pressures on their

ability to shelter and feed, let alone provide a good quality of life to its growing population.

And, it would appear that the population of the world will continue to increase until sometime in the middle of the next century. Where the world's population in 1950 was about 2.5 million, by 1992 it had reached an estimated 5.3 billion. The rate of growth is slowing, but it still is considerable. Present estimates are that the population is at least likely to double in size to 10.1 billion persons and, if fertility rates decline slowly rather than rapidly, the world's population may in fact quadruple to about 23 billion persons. Since about 10% of the population is estimated as being disabled, and unless significant changes occur, we can expect the numbers of disabled people to reach at least 1 billion and perhaps as many as 2.3 billion in total, with about 95% of such growth expected to take place in developing countries.

Since disabled people are disproportionately represented amongst the "poorest of the poor," it is clear that their inclusion in the economies of low/middle-income countries has to be a high priority. Not doing so is likely to lead to humanitarian catastrophes of the first order, given current conditions and practices. The challenges, though real, are not as great in high-income countries where population growth is relatively slight. This provides a reasonably stable population environment within which to work for more inclusive economic opportunities.

Another population trend likely to create significant challenges for the disability movement in general, and disabled people in particular, is the continuing, rapid shift in population from rural to urban areas. In 1990 most people lived in rural areas (World Bank, 1992). By the year 2030 urban populations are expected to be double the size of rural populations given current trends. By the year 2000 it is expected there will be twenty-one cities in the world with more than 10 million inhabitants, 17 of them in low/middle-income countries. At the same time, the size of the rural population in low/middle-income countries will also rise (in high-income countries they are expected to decrease).

Movement of people from rural to urban centres is not a new phenomenon and, according to various sources, takes place in part because of a depletion in ways to make a living in rural areas and, in part, because of perceived better opportunities in urban ones. The reality, though, is that a move to the city does not by itself eliminate poverty, and resources in urban areas typically become over-strained to meet the rising level of need. A significant policy challenge will be to address the predictable rise in requests for support.

At the same time, there remains a continuing challenge in rural areas. It is widely acknowledged within the disability movement that disabled people resident in rural areas, particularly low/middle-income

countries, have much more limited access to appropriate support resources than in urban ones (Neufeldt et al., 1985; Rangan & Neufeldt, 1994). At the same time, rates of disability are generally higher in rural than urban areas (United Nations, 1990, p. 43). This seems to be true for high-income as well as low-income countries. While the size of the rural population generally is decreasing in high-income countries, it is continuing to rise in those of low/middle-income. This suggests some special attention will need to be paid to the employment and support needs of disabled people living in rural areas of low- and middle-income countries in particular.

Importance of Person-centred Development Opportunities

The challenges associated with population growth seem more than a little daunting, and have been a consideration of international development organizations for some time. There appears to be general agreement that past efforts at remediation have not been particularly successful, with a growing number of opinion leaders putting forward the argument that the best way to pursue economic development is to invest in people. The following quotes illustrate this.

Previous concepts of development have often given exclusive attention to economic growth — on the assumption that growth will ultimately benefit everyone. Human development offers a much broader and more inclusive perspective. ... (economic) growth on its own is not sufficient — it has to be translated into improvements in people's lives. ... Thus, human development and economic growth are closely connected. People contribute to growth, and growth contributes to human well-being. (UNDP, 1992, p. 12)

Development is about improving the well-being of people. Raising living standards and improving education, health, and equality of opportunity are all essential components of economic development. ... Economic growth is an essential means for enabling development, but in itself is a highly imperfect proxy for progress. (World Bank, 1992, p. 34)

A person-centred development agenda is relevant to all countries, not just those with low/middle-incomes. The needs and aspirations of disabled people naturally vary from one country to another. Those in the poorest countries may be primarily concerned about fundamental rights to food, shelter and health care, especially in countries where agricultural land is being depleted and inflation runs high. Those in richer countries may be concerned about rights of access to employment and public transportation. In both instances the needs and aspirations

represent fundamental issues of human concern which have very real economic development implications. Consequently, it is in the interest of people concerned with disability to ensure that person-centred development is central to the economic agenda under discussion.

An indication of the relative human environments within which disabled people live is provided by the data in Table 2.3. The first three columns give the years of life expectancy at birth, adult literacy rate and mean years of schooling of the countries of interest to our study. If one correlates the data in any one of these columns with measures of economic well-being from Table 2.1 (for example, Real GDP), the relationship is very positive. That is, countries where its citizens have more education live longer. Such countries also have higher per capita incomes. The fundamental reasons seem straight forward, though solutions may not be. Developed economies depend on a high degree of technological sophistication. For example, the use of contemporary computer-based technologies requires at least a minimal degree of education. If a country wishes to expand upon its technological capabilities, even more education is required. People with more education, on average, also have higher incomes. People with higher incomes also seek to preserve their health and quality of life.

To encourage an emphasis on human development the UNDP (1992) has devised a Human Development Index. This index combines indicators of national income, life expectancy and educational attainment to give a global picture of progress. Using this measure, 160 countries are ranked from highest to lowest achievement in human development. Column 4 of Table 2.3 provides the 1992 HDI rankings for the countries examined in this study. African countries generally are least developed by these criteria, followed by Asia and Latin America/Caribbean countries. High-income countries, as one might expect, have the highest human development index ratings, although the wealthiest countries are not necessarily rated the highest.

Clearly a high priority for the future is to enable disabled people to participate in educational and other person-centred development opportunities in all countries. Though education and other human development initiatives by themselves will not be sufficient given the systemic discrimination described in Chapter 1, they do point to essential preconditions of an ongoing participation in economic development in any country.

Implications for Self-directed Employment Opportunities

Rapid population growth, the rural to urban shift, and related factors adversely affect the employment opportunities of disabled people in both high-income and low-income countries, but particularly in low-

TABLE 2.3 Human development characteristics

	Life expectancy at birth 1990 (years)	Adult literacy rate 1990 (%)	Mean years of schooling 1990	Human development ranking 1990
A. HIGH-INCOME COUNTRIES				
Australia	76.5	99.0	11.5	7.0
Canada	77.0	99.0	12.1	1.0
Germany	75.2	99.0	11.1	12.0
Japan Cianan	78.6	99.0	10.7	2.0
Singapare United Kingdam	74.0 75.7	88.0 99.0	3.9 11.5	40.0
United States	75.7 75.9	99.0 99.0	11.5	10.0 6.0
Mean af High-incame Cauntries Sampled	76.1	97.4	10.4	11.0
B. LOW- AND MIDDLE-INCOME COUNTRIES				
1. AFRICA				
Cameraan	53.7	54.1	1.6	118.0
Ethiapia	45.5	66.0	1.1	138.0
Câte d'Ivaire	53.4	53.8	1.9	123.0
Kenya	59.7	69.0	2.3	114.0
Lesatha Malanii	57.3	78.0	3.4	107.0
Malawi	48.1	47.0	1.7	141.0
Mauritania Senegal	47.0 48.3	34.0 38.3	0.3 0.8	148.0
Sauth Africa	40.3 61.7	30.3 70.0	0.6 3.9	137.0 70.0
Swaziland	56.8	70.0 72.0	3.7	103.0
Tanzania	54.0	65.0	2.0	126.0
Zambia	54.4	72.8	2.7	117.0
Zimbabwe	59.6	66.9	2.9	108.0
Mean af African Cauntries Sampled	53.8	60.5	2.2	119.2
2. ASIA				
Bangladesh	51.8	35.3	2.0	135.0
India	59 .1	48.2	2.4	121.0
Indanesia	61.5	77.0	3.9	98.0
Nepal	52.2	25.6	2.1	140.0
Philippines	64.2	89.7	7.4	80.0
Sri Lanka Thailand	70.9	88.4	6.9	76.0
inaliana Mean of Asian Cauntries Sampled	66.1 60.8	93.0 65.3	3.8 4.07	69.0 103.0
B. LATIN AMERICA/CARIBBEAN	00.0	03.3	4.07	103.0
Baliya	54.5	77.5	4.0	109.0
Brazil	65.6	81.1	3.9	59.0
Calumbia	68.8	86.7	7.1	55.0
Casta Rica	74.9	92.8	5.7	42.0
Daminica	76.0	97.0	4.7	52.0
El Salvadar	64.4	73.0	4.1	96.0
Grenada Grenada	71.5	96.0	4.7	54.0
Guatemala	63.4	55.1	4.1	100.0
Guyana Handuras	64.2	96.4 70.1	5.1 2.0	92.0
Jamaica	64.9 72.1	73.1	3.9 5.2	101.0
Nicaragua	73.1 64.8	98.4 81.0	5.3 4.3	63.0 97.0
Peru Peru	63.0	85.1	4.3 6.4	81.0
Trinidad	71.6	96.0	8.0	30.0
Mean af Latin American/Caribbean Cauntries Sampled	67.2	84.9	5.1	73.6
All Law/Middle-Incame Cauntries Sampled	60.8	71.6	3.7	73.6 98.5
···/····leale-litratile capitities Jailibien	0.00	/ 1.0	J./	70.3

income countries. Given the rapid growth in population, and that disabled people generally find themselves amongst the most disadvantaged, there is considerable urgency to develop strategies which enable their economic participation. Furthermore, given that there currently is a climate supportive of small business approaches, this seems to be an opportune time to pursue self-directed employment opportunities. While self-directed employment neither is nor should be the total approach to income generation, it is an approach that would benefit from focussed attention for two main reasons:

- in high-income countries, self-directed employment/small business options can enrich the variety of opportunities to pursue livelihoods; and.
- in low- and middle-income countries the very lives of disabled people are likely to depend on their ability to function as entrepreneurs in the foreseeable future.

Having spoken to the potential importance of self-directed employment, dedicated attention will have to be given to particular issues faced by specific sub-groups within the population of disabled people.

First, it was noted in Chapter 1 that the rate of disability in a population increases with age. The best data available comes from high-income countries where disabled people have access to various publicly supported health, housing and income security benefits. However, there is data which illustrates a similar trend for low-income countries (United Nations, 1990). Based on a series of case studies in low-income countries it is evident that the highest rates of disablement are above the age of 50, world-wide. This suggests that most people, given the chance, should have an opportunity to establish at least some level of income and assets prior to becoming disabled. However, those people who have little opportunity to accrue any assets, or where the cost of disablement rapidly depletes whatever resources one has managed to accrue, are particularly hard-pressed. These are problems in all countries, but particularly in middle- and low-income countries where there are few if any public supports. Further, as the proportion of the population in a country lives longer, there will be a larger number of disabled people who, for reasons of age alone, will be less able to earn an income.

Second, reference has been made to studies showing higher rates of disability amongst rural residents, and the concomitant lower level of resourcing. This suggests some special attention must be paid to the employment needs of disabled people living in rural areas of lowand middle-income countries.

Third, women and children amongst disabled people are more vulnerable than men to the wide variety of environmental factors leading to exploitation or neglect, just as is true amongst the wider population. This implies that continuing and special attention will need to be given to ensuring equitable participation of women in income generation initiatives where they are undertaken, and the protection of children from exploitation.

The foregoing and other factors suggest that the general points made with respect to person-centred development are particularly relevant to the disability field. It may be recalled that disabled people on average are less educated than their non-disabled age peers. Again, this is true in high- as well as in low-income countries. However, the disparities often are greater in low-income countries simply because people with sensory, motor or cognitive impairments have little or no opportunity at all to become educated (see United Nations, 1990, pp. 224 ff.). Given the increasing rate at which the economies of various countries of the world are becoming tied to technologies which require some degree of education to be understood, the lack of educational opportunity becomes a double handicap. Not only do disabled people have difficulties in accessing education, the absence of education restricts even more the kinds of employment opportunities they might pursue.

PUBLIC POLICY CONTEXTS

What becomes apparent in the later chapters of this book is that whether or not disabled people have an opportunity to set up and run their own businesses has less to do with how rich or poor a given country is, than with the equity of social and economic opportunities afforded. It is the policies created in response to the social and economic environments that contribute either to the experience of disablement or opportunity for economic inclusion by the person/household. This section briefly examines the kinds of policies that have evolved in high-and low-income countries and their relative impact on disabled people.

What Happens in the Absence of Public Policies?

One might ask the question, what happens in the absence of public policies in support of economic inclusion of disabled people? An answer is relatively easy to document since most of the relevant policies are of recent origin, beginning in the late nineteenth century in high-income countries. Even to this day there are many countries which have few meaningful policies designed to foster inclusion of disabled people into their economies.

The position of disabled people in countries that have few or no policies supporting their participation in society today, as it seems was the case in previous centuries, is a precarious one. Up until the very recent past biological families have been assumed to be solely responsible for the life-long care and support of disabled members in most if not all countries. This is still the case in much of the world, particularly in middle- or low-income countries, but even in such newly industrialized states as Singapore or Hong Kong.

The net implications are twofold. On the one hand, if the nature of the impairment is relatively modest, it may have little impact on the person's ability to assume normal life activities. On the other, if the impairment is sufficiently obvious that a person becomes identified as disabled, then the consequences can be much more significant, with the individual condemned to fulfill some socially pre-determined role. The nature of the role varies, depending on the culture, and can change from time-to-time as there are shifts in the views of 'the ecclesia'. Common images of disability found in virtually all cultures are that of the person with a cognitive, motor or sensory impairment as worthless or as hero, as demonic or as saintly, as incompetent or as wise. Sometimes a number of these contradictory perceptions operate at the same time. In more recent history there has been added the notion of disabled persons as sick (see Foucault, 1973 and Wolfensberger, 1969. 1980 for a particularly thorough analysis). The consequence, even of benign perceptions, often is that the disabled person is someone to be taken care of, or to be rejected. If a person with a significant impairment comes from a family of little or no financial means (not infrequently the case in low-income countries), then one's life may even be in jeopardy.

The testimony of disabled people from countries around the world gives evidence that such perceptions are pervasive to the present. In the course of undertaking the research reported in this book a wide variety of examples consistent with the above archetypes were found. For example, the 'worthlessness' of orphaned children, and possible 'saintly' benefits of being disabled, was illustrated in one low-income country where newspapers reported the arrest of a man for breaking the limbs of more than twenty orphaned children and sending them out on the streets to beg for him. This event occurred in the country's capital, and was reminiscent of similar ones reported nearly two thousand years ago in the city of Rome by Seneca, the noted Stoic philosopher.

It would be a mistake to think that the presence of progressive state policies by themselves would overcome such societal perceptions, at least in the short term. For example, Sobsey and Doe (1991) have provided evidence that sexual abuse of disabled people is much higher than the norm in a number of high-income countries, all of which have legislation purportedly protecting the rights of disabled people. Nevertheless, the creation of social policies in support of social and economic inclusion of disabled people at least affords some access to redress of abuses when they occur, which is not the case in countries where no such policies exist. It was towards the amelioration of such misinformed social attitudes that the United Nations declared 1983–1992 as the "Decade of Disabled Persons," the centre piece of which was a World Programme of Action concerning Disabled Persons leading to the goals of "full participation and equality" (United Nations, 1982).

Roots of State Involvement

Until the thirteenth century about the only systematic support for disabled people outside the 'household' in western societies seems to have been from the church. From its beginnings the church made provision for 'the lame,' 'the halt,' and 'the blind' (Neufeldt & Luke, 1985; Wolfensberger, 1980). By the thirteenth century, though, demands must have outstripped the capacity of the church to respond. In France, for example, Louis VIII established a lazar-house law around the year 1226 which, in effect, represented state involvement in the organization of resources in relation to one particularly disadvantaged population — people with leprosy. According to Foucault (1973), there may have been as many as 19,000 lazar houses throughout Christendom at the time, housing hundreds of thousands of people.

The lazar-house law and its successors set a significant precedent affecting succeeding generations of people with various types of disability. When leprosy disappeared from Europe in the fifteenth and sixteenth centuries, many of these leprosariums were transformed into places of confinement for others — 'poor vagabonds', 'criminals', and 'deranged minds'. Amongst those classified as 'poor vagabonds' or 'criminals' must have been many with various types of impairment.

As described by Foucault, these places of confinement came to have another meaning. Their repressive function was combined with giving those confined work, and thereby making them contribute to the prosperity of all — cheap labour in periods of full employment and high salaries; and, in periods of unemployment, reabsorption of the idle and social protection against agitation and uprisings (Foucault, 1973, p. 51). Subsequent names for such places of confinement included 'asylums' and 'work houses', all predecessors of the residential institutions and sheltered workshops as we have known them in the twentieth century.

Roughly in the same time period another significant precedent was set, the influences of which are still evident. In 1388, a statute was passed in Britain mandating local officials to discriminate between the 'deserving' and 'undeserving' poor when distributing alms (Barnes, 1991,

p. 14). The significance of this statute is twofold. First, government formally became involved in setting rules with respect to the distribution of financial assistance. There apparently was a concern that an increasing number of people were availing themselves of alms without working. Second, people with impairments were considered amongst the 'deserving poor'. This distinction of 'deserving' versus 'undeserving' poor, and criteria by which one might distinguish the two, is one which continues to be part of the underlying assumption in social welfare policy up to the present.

Several observations might be made in relation to the examples just cited. First, the nature of interventions by states have been very much in keeping with societal attitudes of the time — the influence of an 'ecclesia' as discussed earlier. Some people with physical, sensory or cognitive impairments were considered dangerous or evil and then segregated in residential institutions or, at some times in history, even sentenced to death. At other times they were thought of as 'deserving' poor and assisted to remain in their communities. Second, considerable effort was made to enable most people with impairments to remain in their home communities. According to Barnes, the lions share of resources (not considering the houses of confinement) was directed towards 'household relief' for people considered unable to work and remaining at home. Third, from the seventeenth century onwards an increasing number of people seemed to demand the attention of the state. Much of this change had nothing to do with disability. Rather. it was associated with the increasing industrialization and urbanization of Europe (Foucault, 1973; Mechanic, 1964). As an increasing portion of the population became dependent on wage employment in the industrial cities of Europe, they also became vulnerable to the rises and falls of employment opportunities associated with the ups and downs of the growing market economy. Within this general context the difficulties encountered by people with impairments, too, were exacerbated (see Barnes, 1991, pp. 15-16).

Evolution of Contemporary Public Policy

A strong argument can be made that the rise of modern science in the nineteenth century, and its influence on existing and emerging professions (medicine and psychology in particular), in many ways legitimated historic views of disabled people in the contemporary era, and thereby influenced public policy. Professionals have high status in most societies. It follows that their interpretation of how disability might be perceived has had a disproportionate impact on the family and on policy makers in the state. Indirectly, they also have had an impact on participation of disabled people in the market place. Several recent

books have examined these relationships in some depth (e.g. Barnes, 1991; Bickenbach, 1993).

In the past century social policy has evolved in response to the increasing complexity and density of relationships between the three social institutions introduced in Chapter 1—the household, the marketplace, and the state. With the passage of time there has been change from 'no policy', with total responsibility that of the family, to the current situation in many countries where a substantial body of policy links these three social institutions. While most public policies seem to have been well meant in their origin¹, the illusions of the day governed policy passage. The net result is that many such policies have continued to disable rather than enable persons with motor, sensory or cognitive impairments.

Two broad kinds of disability related economic policy have dominated thinking for most of the past century, generally characterized by the terms 'supply-side' and 'demand-side.' Only in the past quarter century have we witnessed the emergence of a new basis for public policy—that of the 'civil rights' of disabled people. A brief description of each of these follows, with reference to the general state of policy in low/middle- and high-income countries.

Person Support (Supply-side) Policies

The first public policy initiative specifically to address the income of persons with disabilities is generally credited to the German reformer of the late nineteenth century, Bismark, who introduced a pension for disabled workers (Pfaff & Huber, 1984). What distinguished it from previous initiatives was its premise. Whereas previous funding supports were based on some variant of the 'charity' model where disabled people were considered amongst the 'deserving poor', Bismark's Disability Insurance Act of 1899 seems premised on an assumption that the state had an obligation to assist the country's labour supply persons who incurred their impairment as a result of their work. Work, thus, was seen as of general 'public good', not only a 'good' for the specific individuals who thereby earned income, or a 'good' for the firms in the market place who sold products or services created by workers. This innovation presaged subsequent public policy developments where it came to be accepted that the fundamental economic rationale for state involvement was that 'society had an obligation to share and reduce the cost of impairment' (Haveman et al., 1984,

¹ There are clear exceptions such as the euthanasia laws of Nazi Germany, the sterilization laws of many western countries early in the twentieth century, and so on.

chapter 2). Over the succeeding half century or more there emerged an underlying humanitarian ideology to human service public policy which created what has been referred to as 'the welfare state' (cf. Wilensky, 1975). Most policy which provided the foundation for today's legislation was established within the 'welfare state' context.

It is hardly coincidental that these early public policy innovations occurred just as the medical/professional model was gaining its ascendency. The state was presumed to be the repository of knowledge and responsibility over matters concerning it. The state, in turn, relied on professionals for advice in identifying human service matters with which it should be concerned, and the best modes of intervention. Disability was equated with "work impairment" and, in turn, with an assumption that the state had an obligation to assist.

From an economic perspective, the standard rationale for government intervention in the labour market continues to be that society needs to share in and reduce the cost of impairment of the (potential) labour supply. This is premised on two principles. First, those citizens who do not have an opportunity to earn an income, or by reason of disability, age or other factor are unable to, should be able to share in the wealth of the society (an 'equity' or 'social justice' principle). Second, disabled people should be enabled to participate in employment so as to both increase their sense of personal well-being and to enhance their potential for contribution to society, and the added work-related cost of impairment should not have to be borne by the employer (an 'efficiency' principle).

Supply-side policies have taken three main approaches. The first has been to build on the precedent established by Bismark by providing cash compensation through welfare- or insurance-based systems. High-income countries that are members of the Organization for Economic Co-operation and Development (OECD) typically have in place: (a) a disability/social insurance system (which may be privately or publicly operated and funded); (b) policies which impose liability for some impairments on specific group (e.g. occupational health and safety laws which give employers incentives to reduce the chances of disabilities occurring on the job; workers' compensation benefits; and others); and, (c) policies which guarantee a minimum level of income for people recognized as disabled.

A second approach has been to provide in-kind entitlements such as medical services, pharmaceuticals, appliances, adapted automobiles, attendant care and other resources or services which directly support and/or assist the person with an impairment. Again, the economic rationale is to support the return of a potential source of labour to the work force.

A third approach has been to attempt to reduce the potential cost to employers of existing persons with impairments through job/skill training and by providing rehabilitation services.

A number of limitations of this policy approach are worth noting. First, the creation of these policies, in the main, has been very recent. While the bases were laid in the early part of this century, they were developed into their current breadth and depth after World War II. with many policies introduced only within the past two decades (cf. Barnes, 1991: Bickenbach. 1993: Carnes. 1979: Groce. 1992: Haveman et al.. 1984; OECD, 1992). This gives us only a limited amount of time from which to make judgements as to how well the various elements of policy work in supporting the economic objective of enabling people with impairments to participate in the labour force. Second, the kinds of support described above are available in only a limited number of countries. Not all high-income countries make resources such as outlined available. While OECD member countries generally do (see OECD, 1992), policies in newly emerging high-income countries such as Singapore, the oil countries of the middle east, and others are much more limited. Amongst middle- and low-income countries, very few such policies exist. Third, these forms of 'supply side' policies are imprecise economic tools. They do not directly increase the number of persons with impairments in the labour force. In turn, this leads to impatience amongst politicians and others wishing to see quicker and more direct results. Fourth, some of these policies seem to have such adverse side effects as reducing motivation for disabled people to enter or re-enter the labour force.

Job Creation (Demand-side) Policies

Sometimes for ideological reasons and sometimes in response to criticisms of supply-side policies, governments have adopted policies the exact opposite of supply-side initiatives — that of intervening directly in the labour market by either attempting to create jobs for disabled people, or by trying to create conditions which would lead to jobs. The fundamental argument in favor of this approach is that job creation programmes reduce the cost of hiring to employers, and increase the probability of job finding by disabled people. Three common approaches have been adopted as they affect disabled people.

The approach of longest standing has been the 'sheltered workshop'. Its origins have already been referred to. Subsequent to World War II the sheltered workshop model of creating employment for disabled people was expanded sharply. At the outset the primary concern was for persons injured during the war. This subsequently was broadened to include other groups.

In most economically developed countries sheltered workshops have become industrialized to a substantial degree, participating in the market place through sub-contracts with industrial firms, by providing unique prime products, or through services. The face validity of setting up sheltered employment for persons with severe disabilities has been so strong that the concept has been widely adopted in low- and middle-income countries as well. There, though, they have been much less developed.

Despite their advancement as places of work, sheltered employment as an approach has increasingly been criticized for a number of reasons (cf. OECD, 1992, pp. 32–36; Samoy, 1992). First, the segregation of disabled people inherent in sheltered employment lends itself to perpetuating historic beliefs of disabled people as being different from others and as not being able to participate in normal community settings. Second, even when the quality of work is sound, in many countries sheltered workshops provide low levels of wages, accompanied by poor job protection and uncertain worker status. Third, while the ostensible objective of many is to train workers for the regular work force, typically there are very low placement rates varying from 1 to 5% per annum (OECD, 1992, p. 35). Finally, sheltered employment centres have proven to require continued and substantial financial subsidies even as they have pursued more competitive work pricing practices.

A variation of the sheltered work approach has been for governments to set aside certain kinds of jobs or certain contracts to be fulfilled by disabled people. For example, some countries reserve telephone operator positions for blind persons. Others set aside a certain portion of lottery sales for disabled people. Such approaches have been used in a variety of countries of low and medium as well as high incomes. While creating employment, such approaches too are subject to criticism. The very fact that these jobs are set aside for a particular group, while giving them an opportunity for income generation, also makes them visible as a marginalized minority group receiving state charity. A second problem arises in some countries where, for example, disabled people are vulnerable to robbery because it is known they sell lottery tickets and therefore should have some money.

In North America and Australia there has been some considerable move into community-based alternatives to sheltered work. Early forms were to establish work stations in industry, or service crews who would provide services on a mobile basis (DuRand & Neufeldt, 1980). These usually have been initiated by and operated out of sheltered employment centres.

More recent innovations have sought to avoid sheltered work altogether. Of particular interest is the supported employment model

where support workers assist a person with severe levels of disability to enter regular work in community employment settings (cf. Wehman et al., 1992). This model has been used largely with persons having mental handicaps.

A second supply-side approach of note has been by way of quota arrangements. The underlying premise is that every employer should do a fair share in providing employment possibilities for disabled people. The particular approach varies somewhat from country to country (see OECD, 1992). Devised in a number of European countries following World War II as a means of inducing employers to hire injured veterans, the approach also has been adopted in a number of Asian countries such as India and Japan. The approach sets targets of the portion of private sector employees that should be disabled people, ranging from 1 to 6%. The quota schemes that have been implemented vary along a variety of dimensions such as the degree to which the targets are enforced, the kinds of sanctions or levies that are in place should employers not meet the quota, and the actual administrative arrangements.

Again, the quota system has been criticized. One argument is that the approach places the focus on the disability rather than on the barriers people face in the work place. Second, the definition of disability can get mis-used. Since monitoring of the accuracy of company reports usually is light, employers may seek out individuals with relatively minor impairments to fulfill their disability quota. A third criticism is that, even in countries such as Germany and Japan which have devised incentives for employers to subscribe to the quota system, a substantial portion of employers hire no individuals with disabilities. Thus, even in countries with relatively tight and well-run quota schemes a considerable number of employers fail to meet their obligations.

A third approach has been to create financial incentives for employers to hire disabled people. Such incentives might be in the form of subsidies paid to employers directly, or through tax relief. As in some other policies, the underlying rationale for this approach is that the public ought to share in the extra costs of disability imposed on an employer.

While at one level such incentives are appreciated, they also have their critics. As in some previous initiatives, the incentives may serve to highlight the disability rather than work-related barriers. Even when the support funding is to help an employer adapt a work place to remove barriers, the bureaucratic red tape involved may dissuade employers as to whether the amount of effort required is worth the return.

A fourth approach of note has been to involve employers directly in finding solutions to the employment of disabled people. In most countries there has been little or no involvement, but a number of initiatives are worth noting. This approach has had its longest history in the USA which established a "President's Committee on the Employment of the Physically Handicapped" in 1945. Its successor continues to bring together leaders from employment, government and disability sectors to discuss policies and programmes to enhance employment opportunities. Growing out of the ambience created by this relationship has been a series of Projects with Industry (PWI) initiatives, each of which has a business advisory committee. Other countries also have promoted greater involvement of business leaders in finding employment solutions. Japan has established the Association for the Employment of the Disabled in which employers have a prominent role. In the United Kingdom, Training and Enterprise Councils are being established in which two thirds of the representatives are to be major local employers. In Canada the Canadian Council on Rehabilitation and Work has formed a partnership involving non-governmental organizations and private sector companies in promoting employment opportunities.

Civil Rights Based Policies

One of the fundamental criticisms of many of the supply-side and demand-side policies has been that they are based on a 'work impairment' perspective of disability. From this perspective the problem is considered to be inherent in the person, and the public then should cost share in the cost of the disability. As there has been a shift in perspective from 'intra-person' to 'interactionist', policy also gradually has shifted. The OECD (1992, p. 17) notes that as public perspectives have shifted in favour of normalization and integration, there also have been notable shifts towards "what might be called organizational or administrative normalization." There has been a considerable shift away from having special administrative bodies or government departments take responsibility for disabled people to a functional approach where services are 'mainstreamed'. So, for example, where responsibility for vocational rehabilitation may at one time have been the responsibility of a health, welfare or education department of government (the specific practice depended on the country), it now may become the responsibility of a department of trade, commerce or employment creation.

While such changes are not undesirable, they still don't address the question of job access, the problem that jobs are so structured within the economy that many disabled people face insurmountable barriers. Some of these may be inherent in the nature of how the work is done. Other barriers are environmental, preventing access to places of employment.

A paradigm shift has occurred in the past twenty years, from conceptualizing the issue as one of 'demand' and 'supply', to one of

systemic and structural discrimination against disabled people which prevents them from having an equal opportunity of obtaining jobs which they would be competent to fill. Equal opportunity implies that everyone should be treated equally, and that the same opportunities should be given to all potential or existing employees regardless of the person's characteristics. The solution is to pass legislation which guarantees rights of access.

Most attention to equal opportunity legislation has been given in North America, and especially in the USA. The recent Americans with Disabilities Act is the most far-reaching to date in that it expressly prohibits discrimination against disabled people in many areas, including private and public employment settings. Employers may not refuse a job for a qualified person due to their disability, and 'within reason' they are required to alter the workplace to accommodate the needs of employees with disabilities. Other countries such as Australia and Canada also have developed employment equity legislation.

Low- and middle-income countries generally have not given much attention to civil rights based legislation. One notable exception is provided by the Republic of the Philippines which passed a Magna Carta for Disabled Persons in 1991. Section 5 of the Act, on equal opportunities, establishes that "no disabled person shall be denied access to opportunities for suitable employment. A qualified disabled employee shall be subject to the same terms and conditions of employment and the same compensation, privileges, benefits, fringe benefits, incentives or allowances as a qualified able-bodied person." These, and other provisions, establish a positive intent on the part of the state. The limitations to these and other provisions are to a significant degree tied to the country's economic well-being. Never-the-less, as will be seen in a subsequent chapter reviewing self-directed employment initiatives, the Philippines has provided a hospitable environment for a variety of interesting possibilities for disabled people despite their relative low levels of income.

Civil-rights based legislative provisions, while promising, also have inherent challenges. One problem is to define expressions such as what constitutes accommodation 'within reason' and similar terms. Opinions will differ substantially, depending on who the players are making the interpretation. In turn, this may lead to a stalemate in policy implementation. A second problem is that most such legislation depends on voluntary compliance (the Americans with Disabilities Act has some compliance requirements built in). Whether or not the legislation will be complied with will depend on a strong disability monitoring group which has the resources and capacity to make an issue of non-compliance when it occurs.

Policies Related to Self-directed Employment

The idea that disabled people might have an interest in selfemployment is one which has scarcely been touched on, as noted in Chapter 1. A few countries have developed some initiatives, and even fewer have systematically sought to support disabled people interested in self-directed employment.

Belgium, for example, coordinates all vocational rehabilitation services for disabled people through its National Fund for the Social Resettlement of the Disabled (Berkowitz & Dean, 1990). Within the Fund there has been provision since 1965 that it might either make a loan to a person with disabilities, or guarantee a loan issued by another agency on the following conditions: (1) the individual rehabilitation programme justifies and allows the loan or loan-guarantee: (2) the expenses to be covered by the loan are a direct or indirect consequence of the disability; and, (3) the loan is essential to the placement. Erik Samoy (personal communication, 1993) notes that these strict conditions were meant to be that way. Thus, it is not surprising that in the 25 years from 1965 to 1990 only five loans had been issued. Samoy observes: "In conclusion, Belgium did have (and still has) a regulation concerning the stimulation of self-employment but no policy to stimulate selfemployment. What we have is rather the opposite. In the 1980 annual report of the Fund it is stated that 'the Fund stays very cautious in advising disabled people to take up self-employment and if selfemployment is mentioned in the rehabilitation program it is always accompanied by an advice to take up another type of employment'."

The Belgian experience seems to typify such policy initiatives as exist in high-income countries. Very few countries have policies at all. Of those that do, even fewer have any substantial amount of experience. Perhaps the greatest experience has been in the United Kingdom where the OECD (1992, p. 37) reports that in 1988, 6,900 disabled people made use of mainstream Enterprise Allowance Scheme funding, which provides a weekly grant for the first year of a person setting up in business. Although evaluations are lacking, the conclusion seems to be that the success rate of disabled people is as high as that of their non-disabled peers.

CONCLUSION

All of the foregoing considerations of social, economic and policy contexts have a direct bearing on strategies taken in pursuing self-directed employment. The following two sections of this book provide some indications of the kinds of strategies that appear to have promise. Parts II and III present a series of chapters describing experiences in a

number of regions of the world representing both low/middle- and high-income countries. Part IV provides an analysis of the various projects and recommendations for future initiatives.

PART II

Experiences in Development of Self-directed Employment:
Low- and Middle-income Countries

CHAPTER 3 The Philippines and Thailand

———— Danilo Delfin

INTRODUCTION

South-east Asia, as represented by the Association of South East Asian Nations (ASEAN) has been one of the most dynamic in the world, outperforming every other region of the world in the hostile economic climate of the 1980s (International Labour Office, 1992, p. 40). The economies of individual countries within the region range from amongst the lowest income (i.e., the Lao PDR with an average per capita GNP of US\$200 in 1990) to amongst the highest (i.e., the GNP of Singapore and Hong Kong, respectively, in 1990 were US\$11,160 and US\$11,490).

This chapter focuses on employment initiatives on behalf of persons with disabilities in two low/middle-income countries — the Philippines and Thailand. Of the two, Thailand's economic rate of growth in 1990 was the highest in the region (9.5%), while the Philippines was amongst the lowest (2.7%). Economic growth in both countries has been uneven, with most of it occurring around the major national capital areas, leaving large rural areas largely untouched.

The method followed was similar in both countries. Income generation initiatives were identified from personal knowledge and through interviews with officers of DPI related organizations, other NGOs, and government officials. Not all projects were examined. Upon identification, visits were arranged to find out whether they had as an objective enabling persons with disabilities to achieve self-directed employment. Those which met this criteria were then examined, after gaining formal permission to conduct the study. In Thailand, a Thai interpreter recorded interviews on a Thai translation of the Data Collection Guide, and assisted with the setting of appointments as well as interpreting the interviews where this could not be accomplished in English.

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BRIEF COUNTRY OVERVIEW

1. Philippines

The Philippines is an archipelago of 7,100 islands located in the South China Sea. According to the 1990 National Census of Population and Housing, the population stood at 60.7 million, with an annual population growth rate of 2.3%. The country has a diversity of peoples, customs, languages and religions. In religion, the majority of people are of the Roman Catholic persuasion. Other than the Filipino majority, there are peoples of ethnic minorities in the mountains and remote regions of rural areas, a small but economically powerful Filipino-Chinese community, and a Filipino-Malay group divided into Christians and Muslims. The population is primarily rural with only 35% of the population living in urban areas. The average life expectancy for people born in 1990 was 64.2 years and infant mortality was 43 per 1,000 live births (down from 52 per 1,000 in 1980). Additionally, in the school year 1990–91 only 221,047 students graduated from tertiary education while graduates from non-formal education in 1989 was 269,011.

- The country is divided into 14 regions. The central government has three principal branches; the executive, legislative and judicial branches. National laws are promulgated by the legislative branch through the National Congress, while execution of the laws and policy formulation is done by the executive branch. The interpretation of the laws can be done only by the judicial branch through the Department of Justice. Local governments in the provinces and cities also exercise legislative power in their respective territories through local ordinances but legislative functions emanate only from the central government. The executive branch has 18 departments through which it exercises its functions including, defense, justice, finance, labour, agriculture, social welfare, local governments, education and health.
- The country recently had its first truly democratic election in 20 years, however, the country is still reeling under an external debt of 28 billion US dollars, the oldest running Marxist armed insurgency in South East Asia, criminality and lawlessness even in the capital, and 4 to 6 hour daily power outages which have adversely affected all industries.
- Per capita income in 1990 was US\$588 with the average income per Filipino family being US\$1,554. Families living in Metro Manila earned an average US\$3,050 yearly, whereas, the yearly earnings for families in other urban areas was US\$2,320 and only US\$1,087 for families living in rural areas. These figures, however, do not signify an even distribution of wealth for it is generally acknowledged that the majority of wealth is held by a small percentage of Filipinos.

- Despite the difficult times and an overall slowdown of economic growth, the government continued to support programs and projects addressing poverty alleviation. Wage adjustments were implemented in 1990 and the delivery of basic social services was intensified particularly in light of the calamities and disasters which had beset the country. The social welfare department served a total of 10.14 million clients in 1990 of which 58% were disaster victims.
- A number of laws benefitting disabled persons have been enacted but implementation is not uniformly effective. Of note are the Accessibility Law (BP 344) of 1984, and the Magna Carta for Disabled Persons enacted into law in 1991.
- Employment of disabled persons has, however, not been given systematic and energetic attention by government. Efforts by disabled persons themselves and sympathetic groups to lobby for the enactment of employment quota legislation has met with stiff resistance from employers and legislators alike. Consequently, unemployment for persons with disabilities, even for those with high levels of education, is endemic. The vast majority of disabled persons who work, are employed in the informal sectors of the economy—unlicensed, unregulated and unprotected by the commercial laws of the country. With the absence of mandatory social amelioration for disabled persons, the general poor condition of the economy, and the lack of economic skills and knowledge of most persons with disabilities in the country, income generation becomes a problem.
- Of significance is the assistance given by the National Council for the Welfare of Disabled Persons (NCWDP) and the Department of Social Welfare to the formation and strengthening of the national organization of disabled persons in the Philippines (now known as KAMPI). Disabled persons themselves have learned to take action to promote their own rights and welfare, which includes more effective promotion and implementation of laws, and the provision of an increasing measure of protection for those operating in the informal economy. That disabled persons are not fully integrated into the economic, social and political mainstream is evidenced by the lack of statistical data and information on the economic situation of disabled persons.

2. Thailand

The Kingdom of Thailand, formerly known as Siam, has a land area of 513,115 square kilometres (roughly the size of the states of New York and California combined) and is situated in the heart of mainland South East Asia. It is bounded on the west and north by Myanmar (Burma), Laos on the north and northeast, Cambodia on the southeast, and Malaysia on the south, while its southern tail is bounded on the east by the Gulf of Thailand, and on the west by the Andaman

Sea. Thailand is made up of four regions; northern, northeastern, central and southern. The central region, drained by the 300 kilometre long Chao Praya River is the geographic, economic, political and cultural heart of the country an well as its rice bowl.

As of December 31, 1991 its population was 56,303,273 with an annual growth rate from 1985 to 1989 of 1.8%. Eighty percent of this populace are ethnic Thais, with about 10% Chinese, .4% Malays and the rest made up of various hill tribes in the Northern region such as the Yao, Meo, Akha, Lahu, Lisu, and Karen. There are also Burmese, Khmers and Vietnamese residing in Thailand reflecting this country's long and turbulent history at the crossroads of South East Asia. The national religion is Theravada Buddhism, thus making it the essential feature of Thai social and political orders. Islam, on the other hand is practised mostly by the Thais of Malay stock in the south. The population is primarily rural with 13.2% (1970) of the population living in urban areas, with this figure estimated to increase to 14.4% in the 1980s.

- Density of population per square kilometre is 109.73, while infant mortality per 1,000 livebirths in 1990 was 26. Educational data shows that there were 10,776,774 students of all levels in educational institutions in 1989, of which 396,265 were in higher education (tertiary education). In this same year graduates from higher education were 48,597 (from public educational institutions) and 12,643 (from private educational institutions). UNDP figures indicate that the literacy rate in 1990 was 93%, up from 82% in 1981.
- The Kingdom of Thailand is a constitutional monarchy with a highly centralized system of territorial administration. Local administration units essentially function as field offices of the central government. It in organized into 72 Changwats or provinces, each with Amphoes (districts), Tambons (hamlets) and Moobans (villages). The government itself has been unstable much of the past 40 years, with numerous coups d'etat by a long dominant military sector. At present the government appears stable with the King as head of the Kingdom, commander of the armed forces and patron of all religions. The King exercises his legislative power through the National Assembly made up of the Senate and a House of Representatives.
- In spite of this initial instability, the economy of Thailand has steadily developed especially in the last five years. In 1990, the GNP of the country reached US\$81,202,56 million. In 1991, its GDP was US\$82,048,32 million, which translates to a per capita Gross National Product of US\$1,441 up significantly from US\$1,275. Disposable personal income per capita in 1991 was US\$983.8.
- In October 1991, a law for persons with disabilities was passed entitled Disabled Rehabilitation Act B.E. 2534 (1991). This law,

stipulates that a certain percentage of workers of private enterprises shall in the suitable ratio comparable to the number of ordinary employees, recruit and employ the disabled to work according to the nature of the work. At the time of writing, the ministerial regulations needed to fully implement this law were still being drafted by the Thai government.

CASE ILLUSTRATIONS

In the absence of a systematic and sustained government effort toward employment of disabled persons in formal jobs market, disabled persons in both countries often find themselves in the position of opting for self employment in order to earn income. Non-governmental organizations recognize this reality, thus they offer a variety of programmes employing several strategies to enable disabled persons to earn income. Both governments tacitly recognize this situation well, given the general characteristics of the country's economies, and have put into place several programmes to enable the economically disadvantaged sectors of the populace (which includes the disabled sector) to be able to earn income.

In the Philippines, time constraints, as well as the distances involved in some projects studied, resulted in the selection of three (3) initiatives for examination from a larger number of choices available. In Thailand, four (4) initiatives were studied from Metropolitan Bangkok, two from the surrounding provinces and the northeast of Thailand. A brief description of each of these follows beginning with the Philippine illustrations.

1. MicroLink Philippines, Inc.

MicroLink Philippines, formerly called Industrialized Handicraft Philippines (INHAND), was started in 1986 by Mrs. Ruby Gonzalez-Mayer, a disabled Filipino women using a wheelchair, with the collaboration of Mr. Gerardo Porta, its first community development manager. Located primarily in Metropolitan Manila, MicroLink is a small enterprise development organization designed to generate employment for disadvantaged sectors of the population including disabled persons, by aiming to create new micro-businesses, create business community liaisons, provide training and technical assistance and lend funds to create new entrepreneurships. This project focuses on handiwork (handicraft) production by a network of micro-enterprise cooperatives and corporations owned and operated by both disabled and non-disabled persons from low-income groups in the Philippines. It has obtained funds, both to operate the project and setup and develop micro-enterprises, from

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sources such as the United States Agency for International Development (USAID), the Philippine Business for Social Progress (a consortium of big commercial corporations set up to assist in small development projects), the Gregorio Araneta Foundation and several other such organizations. A key feature of this project is its strong emphasis on effective marketing, especially overseas, and its philosophy of providing employment rather than charity, and teaching self sufficiency rather than dependency.

MicroLink has succeeded in creating 10 self sustaining independent worker cooperatives as well as eight others currently in their first three years of development. Altogether it has created more than 1,017 permanent jobs amongst hard-to-employ or unemployable people such as out-of-school youth, hansenites, paraplegics and other orthopaedically handicapped persons. Handicraft industries such as woodworking, hand painting, tin-smithing, fishhook-making, sewing and card packing have been started because they require low-capital inputs, simplified processes and utilize indigenous and abundant resources of raw materials and labour. Examples of products created and exported to Europe and North America include Christmas decorations, bird cages and fishhooks.

Strategies used to establish micro-enterprises or communities are:

1. Community Development

MicroLink provides direct assistance to disadvantaged groups by training them and helping them organize themselves and manage their worker cooperatives.

2. Sustainable Market

MicroLink ensures at the very beginning that there is a sustainable market and continuing demand for a product before setting up a micro-enterprise to produce the product.

3. Grant and Credit Scheme

MicroLink provides assistance to micro-enterprises by giving grants for initial setup production facilities or assisting the micro-enterprise to access funds from other organizations by co-signing for loans for initial set up as well as providing any additional set up costs. MicroLink then provides loans for working capital once the enterprise has graduated from the grant stage and has become self sustaining. Such loans to the enterprise have interest rates equivalent to prevailing commercial rates of interest.

4. Management Assistance

MicroLink provides management assistance to the new enterprise by auditing its books and frequent visits for supervision of production, business guidance and counselling, continuing management training for the enterprise's management, and supervision of profit management. Profits of the enterprise are managed by putting one third of the profits into a capital build-up fund (for future expansion of the enterprise), one third into a Community Development Fund intended for improvements in the community where an enterprise is located such as digging waterwells, putting up basketball courts, etc., and utilizing the remaining one third for profit sharing disbursed annually or semi-annually.

Tentative future plans contemplate setting up a central training centre where micro-enterprises will be organized and initially operated until they are self sustaining, whereupon these will be spun off to new locations where production will be continued. This will help solve the current problems of management assistance brought on by the dispersed locations of micro-enterprises.

2. Self-employment Assistance Program

The Self-Employment Assistance Program (SEAP) of the Department of Social Welfare and Development (DSWD) seeks to address the mandate of Article XII, Section I of the Philippine Constitution, which states that, "the goals of the national economy are a more equitable distribution of opportunities, income and wealth ... and an expanding productivity as the key to raising the quality of life for all, especially the underprivileged." The SEAP aims to contribute to the amelioration of the living conditions of distressed Filipinos, particularly those who are handicapped by reason of poverty, youth, physical and mental disability, illness and age, through the provision of sustained self-employment opportunities to generate income for the above beneficiaries.

Beginning as sheltered workshops for war widows and orphans just after World War II, the SEAP evolved into the present government program providing elements of project feasibility studies, cash assistance (loan) and on-the-job counselling. Overseen by a SEAP unit within the DSWD which plans and develops the program as a whole, and implemented at the provincial and city branch level nationwide through Project Evaluation Officers, SEAP utilizes the capability-building role of social workers and other workers at the community level to enable beneficiaries to achieve self-employment using money loaned by the program. At the time of writing, the implementation mechanisms for this and other programs of the DSWD were in a state of flux due to the transfer of operational control for these from the DSWD to local governments.

In 1991, 277,520 beneficiaries were served by the program of which 44,670 were disabled persons of the following categories:

Blind/visually impaired beneficiaries	11,390
Deaf/hearing/speech impaired beneficiaries	7,916
Orthopaedically handicapped beneficiaries	2,527
Other handicapped beneficiaries	9,029
Improved mental patients	1,179
Mentally retarded beneficiaries	1,745
Negative Hansenite beneficiaries	884

From January to September 1991, the following self-employed income generation activities (IGA) were accomplished for all categories of program beneficiaries: crop and livestock raising, fishing/marine life culture, food processing, industrial/manufacturing projects, cottage industries, trade and commerce projects, service enterprises and other enterprises.

Strategies implemented to effect the creation of income generation activities (IGA) are:

1. Technical Assistance

SEAP delivers technical assistance through the provision of information, and scientific and technical know-how to enable a SEAP beneficiary to execute his/her IGA using knowledge-based production as well as to be able to make production decisions which are responsive to market opportunities. This strategy involves product identification assistance (which includes a simplified feasibility study); practical skills training (PST) which bridges the gap between existing production skills of the beneficiary and additional skills needed to produce better or new products, basic business management training and product upgrading assistance to reduce production costs.

2. Funding Access

SEAP can make available grants to assist in business start-up. This is preceded by "social preparation" where the aim is to motivate the beneficiary to use the capital assistance appropriately. The SEAP also encourages families of the marginalized sectors (which includes disabled persons) to enter into family enterprises to increase productivity. This is encouraged by making available bigger maximum capital assistance for family enterprises. The SEAP also encourages individuals to form group enterprises of at least five individuals who are not relatives. In this way the individual maximum capital assistance can be pooled together to form a bigger capital base for the income generation enterprise.

3. Community-based Vocational Rehabilitation for Disabled Persons (CBVRDP)

Started as a pilot project in June, 1985 by the Ministry of Social Services and Development (MSSD) in cooperation with the International Labour Office (ILO) as executing agency, and the United Nations Development Programme (UNDP) as funding organization, the Community-Based Vocational Rehabilitation for Disabled Persons (CBVRDP) has since 1989 become a regular program of the Department of Social Welfare and Development (DSWD). The program is now being implemented in 11 of the 14 regions of the Philippines and is aimed at: establishing and developing a community-based vocational rehabilitation service for disabled people; the development of techniques for recruiting, training, and deploying community volunteer vocational rehabilitation workers (CVRW); and developing techniques for identifying and mobilizing community resources necessary for the social, vocational and economic advancement of disabled persons.

Advancement of disabled persons depends on the identified needs. For a very young disabled child identification of disability and early intervention for rehabilitation purposes may be the need. For an older disabled child, training in skills for daily living enabling the child to go to school may be the need. For young adults and adults the initial need may be rehabilitation to promote independence and self reliance but the end goal usually always leads to vocational placement. Finally, for disabled elderly persons the need to be answered by CBVRDP may simply be to keep the retired disabled person busy and involved with his family, community and environment.

This project works primarily with volunteers in the community who are trained and motivated to help disabled persons identify their needs and then identifies and utilizes community resources for rehabilitation, education or vocational goals. The project also works with non-governmental organizations such as associations of citizens, service clubs such as the Lions or Rotary, or even associations of the elderly to muster resources to provide for the needs of disabled persons within the community.

Data available showed that during the pilot phase of the project carried out in four regions, 259 disabled persons were served by 56 community volunteers. Services provided ranged from basic rehabilitation for disabled children, to referral to urban rehabilitation facilities for more complicated rehabilitation requirements, to enabling disabled children to go to school. Vocational assistance given ranged from the start and eventual establishment of a small garments sewing factory, a pig dispersal project, job placement of disabled persons in rural and urban jobs, a small neighbourhood store, a small welding and metal

repairs shop and other small enterprises. Current data has been centralized in the statistics department of the DSWD in consolidated form stating total number of persons served, of which disability is only one part, while more detailed information remained in regional and provincial offices, and thus not readily available.

Strategies used by the CBVRDP include utilizing the nation-wide social service network of the DSWD to implement this program; mobilizing community authorities for participation and contribution to the project; recruiting and training community rehabilitation volunteers to enable them to locate disabled persons in the community, assess their rehabilitation and/or vocational needs, work out a rehabilitation plan with the cooperation of the family of the disabled person (and the disabled person her/himself where possible), and identify and harness community resources to provide for the carrying out of the rehabilitation or vocational objectives set for the disabled persons. Public awareness activities are a vital component of the strategies used for the informed and motivated involvement of the community in providing resources for and participation in the rehabilitation or vocational needs of the disabled beneficiary. The social worker within the community makes him/herself available for technical consultation by the community rehabilitation volunteer as well as ready to assist in mustering resources for referral of the disabled beneficiary to higher levels of rehabilitation services. Income generation as a component of this project becomes the end result for young adult and adult disabled beneficiaries. In view of the high unemployment rate for the country which marginalizes disabled persons in the open jobs market, income generation activities at the community level enables disabled beneficiaries to earn income. The income generation activity may be a small or micro-enterprise business or simply participation of the formerly "useless" disabled person in the family enterprise or business.

This project is now in the process of being implemented in all regions of the Philippines. A potentially problematical situation involves the transfer of operational control of social welfare and development functions from the Department of Social Welfare and Development to local governments. Operational control by the agency which initiated the project as well as their experience gained in almost five years of experience will be reduced if not lost. However, the Bureau of Disabled Persons of the DSWD will still monitor the implementation of this project and make recommendations as well as provide technical consultation to local governments. The bureau has also initiated activities to closely inform organizations of disabled persons, especially at provincial and municipal levels, and motivate them to work closely with

local governments to ensure that the program will continue to benefit disabled persons, especially those in rural areas.

Finally, the bureau envisions and is now devising strategies to enable the initiation and conduct of the CBVRDP to pass on to the community in such a way that the community, rather than the government through the DSWD, perceives itself as primarily responsible for the vocational rehabilitation of the disabled persons in its society, and takes action to provide such services instead of solely relying on the government for action.

4. The Christian Organization for the Handicapped in Thailand — Electronic Repair Workshop (CHTERW)

The CHTERW was started in 1981 by the Ratchburana Church (a Christian church) in Papadaeng, province of Samut Prakan, about one and a half hours south of Bangkok. The church members, in response to the call for activities to benefit people with disabilities, decided to open an electronics repair shop in a rented multi-story apartment near the church building which would house an initial seven (7) disabled graduates of the nearby government run vocational training course on radio and TV repair at the Vocational Rehabilitation Training Center established and managed by the Department of Public Welfare. The church subsidized the food and lodging of the seven project participants and the equipment and electronic parts costs. As the seven were not able to earn enough from the workshop due to lack of practical experience in the work of electronic servicing (most of their lessons at the Papadaeng Vocational Training Center were theoretical classroom instructions), plus the unideal location of the enterprise, after one year the project was already in debt. Further problems for the Church occurred in regard to its own building, finally resulting in it being disbanded and the project taken on by a newly organized CHT.

Located initially in that province (and at present primarily in Bangkok), the CHTERW seeks to provide a halfway workshop for new disabled graduates of vocational training courses on radio and TV repairing at vocational training centres of the government or private-run vocational training centres such as the Christian training centre in Pattaya, province of Chon Buri south of Bangkok. In this halfway workshop, new graduates are given an opportunity to gain practical experience under more experienced alumni of the program; learn how to manage an electronics repair workshop as a business; gain additional technical knowledge by studying part-time at technical schools (3 months); and learn the discipline of working together to earn and save money to be able to start their own electronic repair workshop in one to one and one half years.

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The ultimate goal of the project is to produce entrepreneurs who will set up their own electronic repair shops.

Although CHT has other income generation programs for disabled persons such as shoe repairing (2 graduates), and sewing of clothes (4 trainees) as well as other non-income related programs, the electronic repair workshop is their biggest program leading to income generation for people with disabilities. This project under the Ratchburana Church had an initial funding of 40,000 Baht from the Evangelical and Relief Fund of Australia, United Kingdom and Holland (1US\$ is approximately 45 Baht). Later, under the CHT, it received substantial additional support from organizations such as World Concern, World Vision, the Lutheran Church Foundation, Christoffel Blindenmission of Germany and the Canadian International Development Agency.

A key feature of this project is its emphasis on improving and augmenting the practical electronics repairing skills of its participants. It also emphasizes the training and preparation of participants in managing the halfway workshop to equip them for eventually opening, owning and managing their own electronic repair shop, which includes accounting, marketing, advertising, sourcing of equipments, parts and materials and honesty and professional integrity in dealing with customers. Work discipline as well as experience and discipline in managing and saving their money for their future shop is drilled into participants through constant admonition, reminders, pep talks and experience in handling the money for operating the workshop. Participants are also advised and assisted to begin accumulating the basic equipment that they will need for their own workshop using portions of their monthly earnings while doing repair work in the shop. Finally, participants are encouraged to take additional courses at the technical schools to upgrade and augment their knowledge during their spare time (usually evenings) using portions of their earnings.

To enable participants to start work, they are given free board, lodging and utilities and use of the workshop equipment for the first three months of their stay in the shop, after which they pay for their own food from their earnings in the workshop. After a 6-months stay, the participants pay for their water and electricity as well. CHT continues to pay the rent as well as provide a monthly 16,000 Baht electronic parts fund to be used for purchasing parts for electronic equipment being repaired and which must be paid back by participants every end of the month from their earnings to ensure that the next month will have the same amount available for purchase of electronic parts. From the monthly earnings of the participants, 10% is contributed for the maintenance of the workshop building (3 stories) and 1% for a vocational development fund used for additional training. The remainder of the

monthly earnings are divided equally amongst the participants (usually five in each of the two halfway workshops), and half of each participant's share is kept in the participant's savings account, the book for which is held by the project manager till the end of the participant's training in one to one and one-half years time. During this time of training, participants are also given the chance to learn to work with others as well as learn to relate to the different kinds of customers they will meet in the real world.

In the first ten years of its existence CHTERW succeeded in establishing 22 electronic repair workshops all over Thailand which are owned and managed by disabled graduates. Of these 22 workshops, at the time of the study, 15 were still in operation, 10 very successfully, with the other five continuing to struggle. The other seven workshops have failed for various reasons and are now non-operational. The halfway workshop also serves as the primary income generation project of CHT for disabled persons in response to the problem of many graduates of electronic vocational courses in Thailand not being able to practice what they have learned for lack of resources for equipment, workshop space and operating capital for electronic parts.

Strategies used to enable the establishment of self-owned electronic repair shops are:

1. Training

CHTERW provides a hospitable venue and opportunity as well as resources, through the halfway workshop, for disabled graduates of government or privately run vocational training courses on radio/TV and electronics repair to augment and upgrade their technical and business knowledge and skills. This is done through the tutorship of alumni of the workshop, additional short-term training in technical schools, and instruction and advice from project staff especially in regard to managing an electronic repair workshop.

2. Capital Build Up

CHTERW has a unique way of enabling project participants to eventually be able to start their own electronics repair workshops. At the same time that they are being taught financial independence, discipline and money management they are also assisted to accumulate the equipment, hardware and capital they will need for eventually establishing their own workshops. This is done through the enforced saving of a portion of their monthly earnings while working in the halfway workshop to accumulate a Capital build-up fund.

NOTE: A loan fund was started more than five years ago, but due to the poor pay back record of those alumni who borrowed capital at that time, this strategy was discontinued.

The alumni of the project have been formed into a club which periodically engages in alumni meetings, religious rallies and camps and social gatherings such as parties. Project staff also help alumni who have problems involving government tax collectors. The project leadership formally vouches for the individual shops set up as being part of a social welfare project of an organization under a duly licensed religious organization (the Evangelical Fellowship of Thailand registered with the Department of Religious Affairs), which exempts the disabled shop owners from paying business and other taxes.

CHT is now raising funds to enable it to become a registered foundation in Thailand. When this happens the plan is to pass on the management of the two halfway workshops to another group, which the present leadership hopes will be the alumni club made up of the graduates of the project. The project envisions that it will remain in existence as long as the government and private vocational training centres keep graduating trainees of radio/TV and electronic repair courses.

5. Welfare Fund for the Disabled Person — Department of Public Welfare

In 1981, as a response to the international call for activities and projects to benefit disabled persons during the IYDP, the government of Thailand set up a committee to carry out various activities. One of these was the raising of funds for the benefit of disabled persons. The funds raised were put into the Welfare Fund for Disabled Persons, which is managed by the Department of Public Welfare under the Ministry of the Interior. The Fund has three objectives:

- to provide prosthetic, orthotic and other mobility devices for disabled persons;
- 2. to support the sheltered workshop project known as IYDP Workshop in Pakkred, Nonthaburi (doing primarily sewing at the time of this writing); and,
- 3. to provide occupational capital to disabled persons who want to set up their own business. This report will focus on the third objective of the Welfare Fund.

The third objective enables prospective disabled entrepreneurs to access non-traditional financing to apply to their income generation projects, either for start-up capital or for the expansion of an existing enterprise. The preferred beneficiaries are disabled graduates of

government or private run vocational training centres in Thailand. The fund is managed by the Office of the Commission for the Rehabilitation of Disabled Persons (OCRDP) of the Department of Public Welfare. Ministry of the Interior of the Government of Thailand. Within this office a committee comprised of officials of the Public Welfare Department. representatives of the Thai NGOs serving disabled persons and other notable individuals who have raised money for the fund or are experts in the field of disability has been established to make decisions about utilization of the fund for the above purposes as well as to deliberate on the applications made for loans toward enterprises of disabled persons. This loan fund is currently available to all disabled persons in Thailand, however, structural realities within the Department of Public Welfare effectively makes the loan fund available at the provincial level only. At present, the Department of Public Welfare is beginning to have officers at some districts while some districts have only committees. but the process is not yet complete. Thus, disabled persons who want to access the Welfare Fund have to coordinate with the provincial Public Welfare official or the Public Welfare office in Bangkok.

The loan made available is from 5.000 to 10.000 Baht depending on the enterprise needs. The term of the loan is usually three years but without interest. However, a guarantor is required which explains the low number of disabled persons who avail of or are able to avail of the loan fund. A disabled person will have to go to a provincial Public Welfare office or the head office in Bangkok to fill an application form, providing personal information of the disabled applicant, the kind of business to be set up, and the amount of money to be borrowed. A social worker from the department then visits the prospective business site to inspect suitability of the site for an enterprise but does not sit down with the applicant to do even a simple feasibility study. The social worker reports on the application to the committee which then decides whether to grant the loan or not and in what amount. A contract is subsequently signed between the disabled entrepreneur, the guarantor and the Public Welfare Department. Should the disabled entrepreneur default on his payment, the guarantor will have to pay the balance of loan due. If the guarantor is unable to pay, the case is referred back to the committee for appropriate action. The overdue loan is either declared a bad debt or the loan is restructured for another three years. No follow up for technical assistance is done after the loan is given. Due to the difficulties mentioned above, only 38 disabled persons have availed of the loan fund since 1982, and only two disabled borrowers paid back their loans, with the others being paid back by guarantors or still need to be paid back at the time of this writing.

Business activities undertaken by the 38 disabled loan applicants included: (a) radio/TV repairing, (b) sewing clothing/dressmaking, (c) leatherwork, (d) welding, (e) motorcycle repair, and (f) hairdressing.

6. Development for Handicapped Persons Program, Foundation for the Support and Development of Disabled Persons in Thailand (FSDDPT)

Founded and headed by a committee of five disabled Thais, the FSDDPT is a response to a perceived gap in services for disabled persons in Thailand. Though primarily located and operating in Bangkok, the FSDDPT seeks to serve the needs of disabled persons who come to ask for their help at all times, no matter the nature of the need. In the past decade disabled leaders in Thailand had experienced and learned of the problems of other disabled Thais who have tried to access the bureaucratic, and often, slow service provision of the Department of Public Welfare. Other foundations serving disabled persons were found to be very conservative in extending services, resulting in delays or a lack of appropriately innovative programs to serve the changing needs of disabled persons. As a simple example, government assistance is accessible only during office hours whereas the needs and problems of disabled persons do not observe such hours. As to foundations purporting to help disabled persons, there is a great reluctance to respond to the changing philosophies of equalization of opportunities for and empowerment of disabled persons, resulting in these foundations stubbornly adhering to the traditional practice of maintaining disabled persons in the old role of recipients of services. They will help disabled persons staying in the homes they have built and maintain, but they will not help other disabled persons who are out in the streets or trying to work for themselves.

The FSDDPT seeks to assist disabled persons by enhancing the capacity of the disabled person to help himself/herself. This is done by helping disabled persons to know their rights first and then by providing information through an information system residing in the wealth of know how and experience of the five disabled founder/leaders. Where disabled persons needing help cannot access needed services, the FSDDPT steps in to provide assistance. An example of this is to provide temporary quarters to indigent disabled persons who have to stay for an extended period of time in Bangkok for medical care, or for the fitting or provision of mobility devices such as prosthesis/orthosis. Where appropriate the FSDDPT also assists a disabled person to increase or upgrade his/her skills through referral to available government or private non-profit training opportunities, or the provision of resources to enable a disabled person to further increase/upgrade

his/her skills through participation in commercially available training programs. Finally, the FSDDPT provides referrals for income generation purposes and, where this is not possible or feasible, the foundation provides financial resources for income generation projects of the disabled applicant. This report will focus on the income generation component of the FSDDPT's programs.

An interested disabled applicant goes to the office of the foundation in Bangkok where his/her needs are assessed by the staff of the Secretary of the Foundation. Services are then provided, depending on the need of the applicant. Where the applicant is interested in income generation, the FSDDPT, during the course of its normal interview procedures, determines the type of business, amount of financial resources needed, and other aspects of the proposed enterprise. Based on this information, the applicant in either referred to another entity with income generating funds, given information, advice or assistance on technical aspects of the business such as marketing, production, business administration etc., or given a financial grant (revolving grant) commensurate to the needed financial resources for the proposed enterprise. The disabled beneficiary is then admonished to pay back the money granted, without interest, when the income generation enterprise succeeds, so that the same amount of money can then be used for other beneficiaries. Where the disabled beneficiary is subsequently not able to pay back the money granted, no legal or any extraordinary action is taken to enforce pay back, since the FSDDPT has given the money as a grant in the first place and not as a loan. The attitude of the FSDDPT is one of a friend giving money to another friend so that if this disabled friend succeeds in his enterprise he/she returns the money to the foundation so that other disabled friends may be helped also.

The primary source of the FSDDPT funds has been from the fund contributions of its founder/leaders, the Population Development Association Thailand, the Council for Social Welfare of Thailand and various smaller contributions from individuals and other organizations. Over the first two years of its operation about 100 disabled persons were served. Of this number six disabled individuals were directly assisted for income generation, and one group of four disabled persons. Individual enterprises funded included shoe repairing, lottery ticket selling, poultry raising, sewing; and, electric motor rewinding for the group.

Strategies used to enable income generation were as follows:

1. Referral System

The FSDDPT endeavour to first refer disabled applicants to other entities/organizations with income generation programs for dis-

abled persons in order that the foundation may conserve its still modest financial resources.

2. Funding Access

The FSDDPT extends funding access for income generation in the form of a revolving grant to those disabled applicants who cannot be referred to other entities/organizations for income generation funding or assistance.

3. Consultation

A disabled beneficiary of the project is also given consultation, information, counselling and advice to enable success of the enterprise. It is entirely possible that the FSDDPT will extend only such advice/counselling if such effort is enough to enable a disabled applicant to start his/her own income generation or to help such a disabled person with problems with the enterprise.

Future plans of the FSDDPT involve the organization of a bigger committee of leaders for the foundation with the core still being made up of disabled persons. It is also intended that more high society people will join the FSDDPT to enable it to broaden its influence and also to be able to raise more financial and other resources. The object is to ultimately pass on to the greater society the responsibility of carrying on the work of the organization in order to benefit disabled persons in Thai society. There is also a plan to acquire land and a building(s) where a training centre can be located with appropriate equipment and technology to give up-to-date skills training for disabled persons which will be more marketable in the open job market, as opposed to the more traditional training being offered by government and private vocational training centres at present. Finally, an information centre is also envisioned which can link with an information network consisting of agencies/organizations working in the disability field in Thailand, and which will keep disabled persons informed of services, programs, issues and developments concerning disabled persons in Thailand.

7. Community-based Rehabilitation for the Rural Blind, Christian Foundation for the Blind

Founded fourteen years ago and still headed by Mr. Prayat Phunongnong, the first blind graduate of a teacher training college in Thailand, the Christian Foundation for the Blind (CFB) has offered the following programs/services to disabled persons in Thailand: a private school for the blind (started in 1978) in the Province of Khon Kaen in northeast Thailand; a home for multiply handicapped children in Bangkok (1986); a Community-Based Rehabilitation for the Rural Blind in the province

of Maha Sarakham (1987); a community extension centre in the province of Nakhon Ratchasima (1990); and a rural eye care and prevention of blindness program in Maha Sarakham and Roi Et (1991).

With most of its programs and projects operating in the northeast of Thailand, the CFB serves primarily blind and sight-impaired persons at present. The CFB sources its funds mostly from regular donors made up of both individual and institutional or corporate donors. Some of its funds derive from project basis funding such as the Canadian International Development Agency (CIDA), Australian embassy, Christoffel Blindenmission (CBM) and the Dark and Light Foundation. This report will focus on the income generation aspects of the Community Based Rehabilitation for the Rural Blind (CBRRB).

The CBRRB program of the CFB aims to help blind people to help themselves receive some income from vocational training and thus ultimately lead to their integration into the community in which they live. The program does this through a train the trainers' strategy. It trains staff and volunteers to train blind persons in the community in the skills they need to become independent and self reliant and then to be able to have an occupation or income generation activity from which they can earn money. After the staff and volunteers have been given appropriate training they go out to a target community and identify blind persons they are to help. These blind persons are then given training in orientation and mobility (how to use the white cane, cooking, etc.) to enable them to move about independently as well as training in the activities of daily living to enable them to take care of their personal needs.

The staff and volunteers become counsellors for the parents of blind children of school age. Adult blind persons, on the other hand, are taught vocational skills which are common in his/her family/community. The expert who teaches and trains the blind person usually is a volunteer member of the family or of the community who is already engaged in the skill or trade being taught to the blind person. In this way the blind person acquires a skill which is highly marketable within the community. As an example, the family or community may be involved in animal raising, silk weaving, or incense stick-making industries. The blind person is taught skills related to the industry engaged in by the family/community so that he/she is immediately employable in some role within this local industry depending on his/her capacities and capabilities.

Where applicable and necessary, the program also gives an interest free loan to the blind person to enable the start, expansion or creation of work or income generation opportunities within or without the family/community industry. Finally, the program also provides coordination

with other services such as the provincial Public Welfare officer, provincial informal education program or the provincial health officer to meet the various needs of the blind person as they arise. The amount and types of loans may be given in the following ranges: (a) animal raising (cow, buffalo, pig, chicken, duck, etc.) 5,000–10,000 Baht; (b) handicrafts (mat or cloth weaving, basket making, broom making, etc) 500–1,000 Baht; and (c) agriculture (field crop) 10,000–30,000 Baht.

To date 103 blind persons have benefited from the income generation component of the CBVRDP. This may be broken down into the following income generation activities: animal raising — 84 blind persons; handicraft — 3 blind persons; small shop — 5 blind persons; and, agriculture (field crop, silkworm farm) — 11 blind persons.

Strategies used to enable income generation by blind beneficiaries are:

1. Training

Blind beneficiaries are first trained in the skills necessary for independence and self reliance without which they cannot effectively carry out income generation activities. Then they are given training based on a consensus of the blind person, his/her family and the staff or volunteer. The training will be on a vocational skill which is usable within the family/community industry. Training is given by an expert or tradesperson already involved in and coming from the family/community industry with the staff or volunteer coordinating the venue, schedule and other administrative details of the training.

2. Funding Access

The blind beneficiary is also given the opportunity, where needed, to access funding for income generation through a revolving loan scheme for his/her income generation. This loan fund is interest free and is repayable depending on the capacity of the income generation activity to generate profits and income. The fund is revolving so as to enable more blind persons to access this funding source.

3. Consultation

The blind beneficiary almost always needs the assistance of a technical person or other kind, especially if he/she is engaging in the income generation activity for the first time.

DISCUSSION OF STRATEGIES EMPLOYED

Both similarities and differences are evident in the approaches employed in projects examined from the two countries. For example, governments of both countries have made a formal commitment to assisting income generation by persons with disabilities dating back to 1981 and earlier; however, the Philippines seems to have had a more concerted effort at implementing and following up on policy intent than Thailand. For example, SEAP of the Department of Social Welfare and Development in the Philippines is roughly similar in intent and duration to the Welfare Fund for the Disabled Person of Thailand's Department of Public Welfare. Based on the information available, it seems clear that the small loan component of SEAP has been much more widely implemented than that of the Welfare Fund. Similarly, the Community-Based Vocational Rehabilitation for Disabled Persons programme in the Philippines has grown from a pilot project into a country-wide programme. No analogous initiative was found in Thailand. However, the longest standing non-governmental initiative leading to self employment examined was that of the Christian Organization for the Handicapped (CHT) in Thailand.

Provision of funding through small loans, training, consultation. community participation, and capital build-up strategies were commonly used in both countries. The Philippines projects seemed more intentional in their approach to community development/community participation than did those in Thailand. One of the Philippines projects, MicroLink, was unique in its concerted approach to market development. In contrast, several of the Thai projects also had uniqueness. The CHT project has adopted a unique approach to training, by giving trainees an opportunity to gain practical experience under the guidance of programme alumni — a mentoring approach. Another Thai initiative, the Foundation for the Support and Development of Disabled Persons/Thailand, has adopted approaches similar to those of Independent Living Resource Centres in North America (information, referral, support in accessing available resources), supplemented by a revolving grant possibility where other financial resources are not available. Discussion of the major observations relevant to the various strategies follows:

1. Funding Access

Funding access was a significant strategy in six of the seven projects examined. The seventh project placed an emphasis on building up capital equipment and funds from earnings. Since the beneficiaries of the project came from marginalized sectors of their societies, it was considered essential to provide funding access to enable income generation initiatives to start up. Limited education, lack of business experience and a paucity of personal resources which might serve as collateral negated attempts by beneficiaries to act as normal commercial funding available to the business community.

MicroLink obtained funds from outside sources to assist with capital costs of acquiring business sites, equipment and machinery as well as other costs incidental to setting up of production units. Grants were initially provided to production groups as working capital. Thereafter, production groups were no longer given grants but extended loans at commercial rates of interest to serve as working capital.

Danilo Delfin

Other projects provided small loans or grants. In the Philippines, these were available for up to US\$200 for individuals, and up to US\$400 for families. A social worker would facilitate the preparation of a feasibility study, thereafter subjecting the study to an assessment for viability as a business and the person as a recipient of a grant. The Philippines experience was more extensive than that of organizations in Thailand, where the Welfare Fund had made available loans to only 28 persons since 1982, of which two had been repaid. The greatest experience for provision of loans in Thailand, of the projects studied, was that of Community-Based Rehabilitation for the Rural Blind.

Two of the projects, one each in the Philippines and Thailand, merely facilitated access to available small loan sources, though they might access their own funds on occasion.

A variety of problems were encountered in the implementation of the strategy. First, the smallness of size of microloans was such that beneficiaries did not have much room for error in the conduct of their enterprise. Even when the beneficiary had a sizable amount of skill and experience in his/her income generation activity, misfortune or any number of normal business difficulties could lead to the enterprise failing. Second, in a sizable number of instances, beneficiaries of either microloans or capital assistance funding (as in MicroLink) were inexperienced with respect to understanding accounting and technical complexities of handling funds. Within MicroLink, either misunderstandings or mismanagement on the part of production groups led to the disbanding of two units of disabled persons. In those units where there was knowledgeable leadership (i.e., where the leadership sought relevant information) the units continued to be successful even in the case of economic downturns. In projects involving microloans, individual beneficiaries, if they failed, tended to be saddled by an unpaid loan as well (except in instances where the loan in reality was a grant). This knowledge kept beneficiaries from going back to seek another capital assistance request.

2. Training

Training was an essential strategy in five of the projects. Since beneficiaries of these projects came from a poor, less educated sector of society, they entered the projects with minimal knowledge and skills essential for starting and operating their own business. Thus, training was deemed as essential for all beneficiaries.

The MicroLink project specialized in mass production of handicraft items for export, requiring a reasonable level of technology, good management and disciplined production. Participants needed to be trained in the highly skilled arts of hand painting, wood working, tinsmithing, sewing and fishhook making before they could manufacture the quantities of products required at the quality specified, and within the time limits set by purchasers. In addition, the managers of these production groups (themselves disabled persons) had to learn to efficiently manage the production to maintain quality, observe deadlines and reduce production costs so as to maintain profitability for the production group. Initial training of individuals participating in this program usually presents little problem to MicroLink. However, problems emerge when production units are already in place, producing certain types of products, and they then have to shift to another product needing a new set of skills. The production group usually falters in its production capacity as they are being trained to produce the new product, which in turn may affect the quality, production time and cost of items produced.

The CHT used a mix of formal training in local technical schools along with hands-on training within the halfway workshop under the tutelage of graduates.

Training is also an important component of the two communitybased rehabilitation programs in the Philippines and Thailand. In both instances, community-based volunteers receive training prior to their involvement with persons with disabilities. Apart from the immediate involvement with disabled persons, volunteers facilitate employment related training. This usually happens by identifying the kind of work the individual would like to do, then recruiting the help of tradespersons or others already existing within the community. As an example, a disabled beneficiary may work as an apprentice in the town welding shop to be able to learn how to weld and to run such a business. The limits to this approach is common to one who depends on volunteers. Because there is little hold on community volunteers if they decide to leave a given area, the consultation may fall through. This happened in the Philippine community-based vocational rehabilitation program where, at the outset, unemployed college graduates became the community volunteers. Their work in the project exposed them to more people in their community, leading to their eventually being hired by other employers. The project then was again in a position to recruit new volunteers, and spend additional resources and time in training them. The project leadership decided to change direction by recruiting as volunteers only individuals who already were busy and involved in their community.

Problem areas encountered in these latter types of training include the following. There may be a lack of interest on the part of beneficiaries in the complexities of running a business, either because they don't appreciate the importance of this new knowledge, or they fail to grasp the new principles and concepts being taught. Others view training as just another requirement to endure to be able to receive capital assistance funding, and consequently pay minimal attention to the lessons being taught. Yet another problem occurs when a beneficiary becomes adamant about the kind of income generating activity they wish to pursue, and the community in which they live has no resource person who can serve as mentor or trainer.

3. Consultation

The availability of consultation was viewed as important in most of the projects, though some had consultation services available on a more formal basis than others, The two community-based rehabilitation programs. for example, seemed to depend on the local expert or trade person who had trained the beneficiary on ongoing advice with business related matters such as technical assistance, marketing, etc.

Two projects, MicroLink and the FSDDPT made explicit personnel time available for consultation purposes. In MicroLink, there are technicians available for consultation on technical matters such as production technologies and processes on given product lines, accounting, financial management and marketing. There also is a community development manager with assistants to attend to organizational requirements and troubleshooting needed by production units. This program encountered problems early in its history when it started too many production units scattered about Metropolitan Manila at the same time. Project staff were stretched beyond their capacity, particularly since the chosen sites for production units were located at the outskirts of the city where marginalized beneficiaries of the project tended to live. This made travel for consultation time consuming. That the production units would experience problems almost at the same time only added to the strain on the projects consultation resources. At the time of the study, MicroLink was considering centralizing its training and business incubation facilities to build up future capacity.

The FSDDPT endeavour, within the limits of its staff capacity is to provide technical and other consultation to beneficiaries once an income generation activity, is ongoing. Some applicants, however, come to them only for advice and technical assistance connected with their income generation activities. An example of this is a glass factory owned and run by a disabled woman in Papadaeng, a province of Samut Prakan,

who sought legal help in connection with a business problem involving the breach of a business contract by a third party.

Some projects depend to a large extent on the knowledge, experience and motivation of social workers for advice. Given the low salaries they have, there is a disincentive to being resourceful. Social workers also may not be the best judges of business plans and/or marketing/ production requirements.

4. Community Development/Participation

Community Development/participation were an expressed part of the intent of three of the projects — the two community-based rehabilitation related projects and MicroLink. The two micro-loan fund programs also had a community participation component, usually by requiring a guarantor or (as in the case of SEAP) encouraging beneficiaries to organize themselves into groups so as to pool their capital assistance.

In the two community-based vocational rehabilitation initiatives, there is an inherent community development process taking place as part of their recruitment and training of community volunteers. The desired goal is to enable communities to become more self sufficient and self reliant. An intentional community development component is part of MicroLink. Because the labour is recruited from marginalized sectors of society and then trained and organized into what have to be cohesive and well run production groups, a sizable number of difficulties are to be anticipated. People recruited usually do not have experience in working in such tightly knit groups, meeting deadlines, or adhering to production quality. Neither are they experienced in working collaboratively with other workers. Two of the early enterprises were disbanded because of inadequate leadership and management by the disabled leader, leading to inordinate losses from penalties due to delays in product delivery.

5. Capital Build up

Several of the projects made specific attempts to enable capital to be built up for beneficiaries. MicroLink did this by ensuring that production units under its supervision set aside 1/3 of their profits as capital build up for future expansion, additional updating of equipment and machinery, and as working capital for large orders. This capital fund might also be used to pay for production units loans including interest when no profits were earned, or when production units suffered financial penalty for late delivery of products or production of poor quality products. When this happened, production units were constrained

in their ability to adjust to new demands. However, it might be noted that this is an inherent risk in all capital enterprise.

The CHT also had a capital build up process in place whereby each project participant maintained a bank savings account held in trust by the project manager. A percentage of monthly earnings of the project participants is deposited into this account for the purpose of enabling the individual to have start up capital for use when establishing an electronic repair shop after training has been completed. The money might also be used for tuition at commercial/technical training schools, or to purchase electronic repair equipment which becomes part of the starting equipment of the individuals electronic repair shop.

6. Marketing

The general approach to marketing for most of the micro-loan programs was to encourage development of products or services appropriate for local markets.

The most concerted and organized approach to marketing was that of MicroLink. MicroLink ensures first that a product can be sold at a good price, in the right quantities and will be desired by buyers for reasonably extended periods of time before they commence to plan for and set up a production group to manufacture the product. Most of the marketing is to overseas buyers in Europe and North America. This market creation approach has proven very productive. However, it also has meant that funds have had to be allocated enabling its key staff to travel overseas to seek buyers and to find out what products they want to buy and at what prices.

CHAPTER 4 South Asia

- Salma Magbool and Magbool Ahmad

INTRODUCTION

My husband and I undertook to investigate the income generating activities of disabled people in five South Asian countries — Sri Lanka, Bangladesh, Nepal, Pakistan and India. It may be noted that these countries along with Bhutan and Maldives are members of the South Asian Association for Regional Co-operation (SAARC) which is an intergovernmental body.

These countries have many common features, such as socio-cultural patterns, high percentage of rural population (70–85%), low literacy rates (with the exception of Sri Lanka and Maldives) and limited resources.

We have chronicled this report keeping in mind the common features prevailing in the five countries visited. The report consists of a country profile and a combined overview of strategies that were identified in income generating activities of people with disabilities.

BRIEF COUNTRY OVERVIEW

Sri Lanka

The Democratic Socialist Republic of Sri Lanka occupies an area of 65,610 square kilometres. The lowlands of Sri Lanka are tropical with an average temperature of 27° Celsius. The central hilly region is considerably cooler in climate.

Sri Lanka's population of 17.5 million is divided into four dominant categories of religious affiliation, these are: Buddhist (69%), Hindu (15%),

Christian (8%) and Islam (8%). The country's three major ethnic groups are Sinhalese (74%), Tamil (18.1%) and Muslim (7.1%). Other ethnicif ties compose .8% of the population. Though English is widely spoken throughout Sri Lanka, Sinhala and Tamil are the country's main languages.

Sri Lanka's literacy rate is 87.2% and its gross national product per capita is US\$463. The country's major exports are garments, gemstones, tea, rubber, coconut and textiles.

2. Bangladesh

The People's Republic of Bangladesh has a population of 116.1 million and a total area of 144,000 square kilometres. Though Bengali is the country's official language, English is also widely spoken and understood.

The Bangladeshi literacy rate is 33.1% while the gross national product per capita is US\$208 and the annual rate of growth of the gross domestic product is 6.2%.

There is one doctor in Bangladesh for every 6,219 inhabitants.

Nepal

Nepal covers an area of 147,181 square kilometres and has a population of 19.6 million. The country is divided into five development regions, 14 zones and 76 districts which are governed by a multi-party Democracy from the capital city of Katmandu. Nepal's four major religious groups are Hindu, Buddhist, Muslim and Jains. Though several languages are spoken by the Nepalese, Nepali is the only one officially recognized. Others include Maithili, Bhojpuri and Newari.

The Nepalese literacy rate is 36.4% and the average per capita income is US\$160.

4. India

The population of the Republic of India is 850 million in an area of 32,87,263 square kilometres. This vast country is divided into 25 states and 7 union territories, all of which are directly administered by the central government.

Though Hindi (in Devanagari script) is the official language of the Union, there is constitutional provision for the concurrent use of English and Hindi for official purposes. Of the many other languages and dialects spoken throughout India, 15 have been specified in the eighth schedule of the constitution. These are Assamese, Bengali, Gujarati, Hindi, Kannada, Kashmiri, Kalayalam, Marathi, Oriya, Punjabi, Sanskrit, Sindhi, Tamil, Telegu and Urdu.

According to the 1981 national census, the average Indian literacy rate was 36.23% (46.89% for males and 24.82% for females). Karala State deviates significantly from the norm with a literacy rate of 70.42%. India's GNP is US\$207.

5. Pakistan

The Islamic Republic of Pakistan occupies an area of 796,095 square kilometres with a population of 116.4 million people. Its parliamentary system of government is based in the capital, Islamabad.

Pakistan's climate is mainly dry; its average annual precipitation is between 4 and 40 inches. Though heat is extreme in the summer, Pakistani winters are brisk and cool with heavy snowfall at higher elevations.

Islam is the predominant religion of the almost entirely (97%) Muslim population of Pakistan. There are eight officially recognized languages; these are: Urdu, Punjabi, Pushto, Sindhi, Baluchi, Brohi, Hindko and Saraiki. English is also in fairly common use.

Pakistan's literacy rate is 31%. The GNP per capita of this basically agrarian economy is US\$365.

METHODOLOGY AND SOURCES OF INFORMATION

Before embarking on our visits to the selected countries in the South Asian region, we made contacts with ILO offices and DPI members in these countries and received advance information about income generating activities of disabled people, addresses of contact persons of such projects and assurances of co-operation.

Our journey was divided into two parts. We visited Sri Lanka, Bangladesh and Nepal first, followed by the North West Frontier Province of Pakistan. We then visited some projects for Afghan refugees in the Peshawar area, where some international NGOs have integrated CBR programmes for disabled Afghan refugees, and finally, India.

The responses of DPI members in Sri Lanka and Bangladesh were very helpful as they provided us with contacts and other useful information.

At Colombo, Sri Lanka, the project manager of the Swedish Organization of Handicapped International Aid Foundation (SHIA), Mr. G. Wanniarachchi in collaboration with Mr. Rana Singhe A. Sirisena of DPI gave us guidance and co-ordinated our visits to the actual sites. Mr. Khondoker M. Jahurual Alam and his colleagues at Dhaka assisted us in every possible way to continue in research work in Bangladesh. The CUSO director Mr. Julian Francis acted as a resource person.

Our schedules in these countries included meetings with government officials including Secretary of the Ministries of Social Welfare and Special Education, directors of concerned departments and UNICEF consultants. These meetings were extremely useful as these officials provided us with a general overview of government activity in the field of disability and related matters.

FINDINGS AND TYPES OF PROJECTS IDENTIFIED

The various projects that were identified can be classified into two main groups:

- 1. Projects run by the State/Provincial government, such as:
 - (a) Vocational Training Centre for the Physically Handicapped, Liya, Magomulla Seeduwa (Sri Lanka),
 - (b) Employment Rehabilitation of the Physically Handicapped, Station Road Tongi Glazipur (Bangladesh),
 - (c) There was no government centre in Nepal,
 - (d) Institute for the Physically Handicapped, New Delhi (India),
 - (e) National Training Centre for Disabled Persons, 12/L Tariq Plaza, Markaz C-7, Islamabad (Pakistan).
- 2. Projects run by NGOs. The majority of NGOs engaged in providing training in income generation skills to disabled persons and following that, facilitating self-employment/employment in the open market in a variety of industries. A number were strong, well organized service organizations. Examples are:
 - (a) Sri Lanka. Islamic Centre for the Physically Handicapped, Anandpura Children's Home and Farm, Sri Lanka Foundation for Rehabilitation of the Disabled (Rehab Lanka), and Vocational Training and Job Placement for Visually and Hearing Impaired and Physically Handicapped (Swedish Organization of the Handicapped International Aid Foundation) (Sri Lanka).
 - (b) Bangladesh. Centre for the Rehabilitation of the Paralysed, Book Binding Project (World Vision of Bangladesh), Self-help Income Generation Project for Disabled Persons (SARPV), and Vocational Training Centre for the Blind (CBM).
 - (c) Nepal. Woolen Yarn Making Cooperative of Disabled Persons (Organization Gauri Shankar Assembly of Disabled People), CBR Project Kirtipur (Nepal Association for the Welfare of the Blind), Vocational Rehabilitation Centre for Mentally Retarded Persons (Association for the Welfare of Mentally Retarded,

- AWMR), and Nepal Disabled Association (Khangendra New Life Centre).
- (d) India. Training in English/Hindi Stenography to the Blind (All India Confederation of the Blind), National Association for the Blind and Industrial Development Bank of India Polytechnic, Income Generating Programmes of the Blind Men's Association, Fellowship of the Physically Handicapped (Bombay), Amar Jyoti Research and Rehabilitation Centre (Amar Jyoti Charitable Trust).

These organizations are providing skills training, grants/credit facilities and job placement to disabled persons. In a few cases, generic organizations such as the Sarvodaya in Sri Lanka, had projects focussed at disabled people as a part of their general community development programmes.

Organizations of disabled people are not figuring prominently in the field of training or facilitating by other means in the field of income generating activities of disabled persons. In the countries visited, self-help movements of disabled persons is a more recent entity and are subject to a lack of professionalism and access to adequate funds. However, some organizations of disabled persons are doing commendable work in this area. The All India Confederation of the Blind, Bangladesh Protibandhi Somity Kalayan (BPKS) and Nepal Association of the Deaf are excellent examples.

A large number of international NGOs such as ABC, CBM, Sight Savers, World Vision, the Salvation Army, SHIA, CUSO, NORAD, ADD, WBU etc. are engaged in funding, training and rehabilitation of disabled persons. The process of their involvement is through strengthening and capacity building of NGOs and launching of CBR projects in selected localities. The provision of grants/revolving loans are an important component of the CBR programmes. The national governments of these countries encourage international NGOs to work in this area and coordinating bodies such as the BNGO bureau in Bangladesh serves as the operative instruments.

TYPES OF STRATEGIES IDENTIFIED

The strategies employed in involving disabled people in income generating projects are common to the government and NGO projects. The main strategies are identified as follows:

 Identification and assessment of disabled persons in selected localities both in rural and urban areas.

- 2. Motivation of the disabled persons and their families to engage in income generating activities through awareness campaigns employing the electronic and print media.
- 3. Counselling of individuals and the family by home visits, especially in rural areas.
- 4. Education and vocational training of disabled persons.
- Provision of incentives such as scholarships, grants and revolving loans.
- 6. Job placement facilities both in the private and public sector.
- 7. Community-based rehabilitation of disabled people, preferably in their trades.
- 8. Follow-up visits to reassure the disabled persons, assess the progress and provide guidance if necessary.

TYPE OF ACTIVITY STRATEGIES CREATED

The strategies described above led to income generating activities in three main areas. These were: self-employment, placement in private/public sector industry and community-based rehabilitation in rural and urban communities. Examples of self-employment are enumerated below. It was observed that many of these activities were common to urban, semi-urban and rural areas.

1. Self-employment

Mats, ropes, brushes, brooms, baskets, hand looms, cloth making, knitting, tailoring, fabric painting, corn grinding, food work, furniture, doors and window making, crafts, handbags, greeting cards, calendars, toys, dolls, candles, typing and stenography, watches, shoes, electronic gadgets, repair shops, retail shopkeeping, vending stalls (newspapers and beverages), door to door sales and book binding.

2. Industry

Gem cutting, peanut butter, chalk and plaster of paris manufacture, ready made garments, carpets, motor rewinding, welding, lathe work, light machine tools, tricycle wheel repair, callipers and white cane manufacture, plastic moulding, computer programming, telephone operators, secretarial services, packing, printing and book binding.

3. CBR

There are additional income generating programmes in CBR programmes.

(a) Urban

Public call offices — local governments (Delhi, Ahmed Abad and Bombay) allocated PCOs to disabled persons on the recommen-

dation of the parent NGO. Unfortunately we are not sure whether this practice is followed in other parts of India as we had no opportunity to visit other areas. Physiotherapists and music teachers.

(b) Rural

Hand loom, textile work, shop-keeping, kiosks, vending, poultry farming, goat, cow and buffalo rearing, vegetable growing, yarn making, cane work, knitting and carpet making.

NUMBER OF DISABLED PEOPLE INVOLVED

The total number of disabled persons involved in income generating activities in the projects visited in Sri Lanka, Pakistan, Bangladesh, Nepal and India is 38,272. The number of persons involved in each country was as follows: Sri Lanka — 4,415; Bangladesh — 1,514; Nepal — 427; India — 31,805 and Pakistan — 111.

IMPACT/EFFECTIVENESS OF THE STRATEGIES

The motivational element of the governmental/NGOs strategies to educate disabled people and their families in order that they become income generators is perhaps one of the most effective and positive impacts of the many strategies employed. Access to training facilities through scholarships, residential accommodation during the course of the training programme and other support systems, encourage disabled people to participate in vocational training programmes in city centres. This strategy is still quite commonly used by governments and NGOs in South Asian countries. The provision of grants, revolving loans and credit facilities is yet another positive feature in promoting income generating activities to disabled people. Usually the grant is given on the completion of the vocational training, for the purchase of necessary aids and equipment for self-employment. The revolving loans and credit schemes are flexible. The interest rates are kept low. These schemes have proven to be successful as the disabled people and their families tend to repay the instalments fairly regularly.

The job placement and follow-up services offered by government/NGOs is a positive strategy as many of the disabled individuals who have been trained in various vocations find commensurate jobs in the open market. The follow-up visits of job placement officers is particularly supportive to the employees and reassuring for employers.

It is observed that perhaps the institutionalized vocational training programmes may have a slight negative effect on disabled individuals. This inference is based on the fact the disabled trainees are

subject to entirely different circumstances in the city-based institutions, their places of work and home surroundings. This factor impedes the income generation potential of the disabled persons in various ways, such as the adequacy in the development of inter-personal relationships, resentment at working in rural settings which may be on account of environmental barriers, including attitudes and low remunerative rates of products.

CONCLUSION

In the paragraph on the effective and positive elements of strategies that are identified in the five South Asian countries, it has been clearly stated that a combination of strategies is the most appropriate method of dealing with the issues.

RECOMMENDATIONS

Generally speaking there is a dire need of increased professionalism in the launching of government/NGO projects to involve people with disabilities in income generating activities. Therefore people adequately trained in business entrepreneurship and management should supervise projects that are launched for disabled individuals.

Great emphasis is to be laid on mass awareness and public education programmes particularly focussed on the potentials of disabled people as income generators and contributing members of the community.

The prevailing stereotype attitudes of society towards disabled persons needs to be changed. Promotional campaigns projecting disabled persons as role models in the income generating spectrum should be mounted through all forms of media and other locally available publicity means.

Greater attention is to be given to the involvement of women with disability as they are the most disadvantaged and have the least access to information and other facilities. It is recommended that funding agencies whether governments, UN or international/national NGOs should advise the recipients to have as an essential element involvement of women with disabilities in their development programmes.

The disability issues have a low priority in the agendas of the national governments in South Asian countries, similar to that in other developing countries. There is a lack of statistics, health care, education and vocational training facilities, employment and income generation opportunities for disabled individuals. Even so, some palpable progress has been made specifically by NGO ventures (national and international)

to make disabled people income generators. It is recommended that models of good practice in this area should be shared between countries that have common features. Furthermore, greater reliance should be placed on local experts in the area of business management and entrepreneurship, commensurate with the indigenous circumstances.

Training facilities in business entrepreneurship should be available at the grass roots level in order to truly benefit disabled people who largely reside in rural parts of our countries.

Revolving loans and credit facilities should be made accessible to the potential disabled entrepreneur at the grass roots level through local government/NGO instruments.

Identification of sales worthy income generation activities by the disabled persons is equally important as the other measures indicated above. Some traditional trades are not remunerative now and need to be replaced with more marketable trades.

It is suggested that, whenever possible, integrated and cross-disability cooperatives should be established. Such cooperatives will provide the integration of disabled persons into the community. In addition, disabled persons themselves should be encouraged and trained adequately to manage and operate business enterprises.

CHAPTER 5 Singapore

Ron Chandran-Dudley

INTRODUCTION

The Republic of Singapore, known as the Lion City State, is comprised of one large island and some 58 small islets covering a land area of approximately 618 square kilometres. The main island is connected to the Malay Peninsula (West Malaysia) by a causeway of one kilometre in length.

Singapore lies 136.8 kilometres north of the equator. Because of its location it enjoys a uniformly warm and humid tropical climate throughout the year, with a typical daytime temperature of 31°C, dropping to 24°C in the early hours of the morning. Singapore's mean annual rainfall is 237 centimetres with northeast monsoon winds from November through January bringing somewhat more rain than at other times during the year. Most of the islands tropical vegetation has given way to urban development, with only about 5% of it carefully preserved.

Singapore has grown from being an outpost on the east-west shipping routes to where it now is the busiest port in the world. While it has few natural resources, the city enjoys the reputation of being a stable and efficient base for economic expansion in South East Asia, owing much of its success to its strategic location at the entrance to the Indian Ocean, South China Sea and the Java Sea, and its deep-water anchorage and natural harbour.

BRIEF COUNTRY OVERVIEW

The total population of Singapore as at 30th June, 1990 was 3,016,379. This figure includes non-locally domiciled personnel (i.e., foreign diplo-

mats and their dependents), tourists and Singaporeans residing overseas. The resident population of Singapore (i.e., citizens and permanent residents) totalled 2,705,115. The predominant ethnic groups comprising the population, in order of size, are people of Chinese, Malay and Indian ancestry.

Since its independence in 1965, the Singapore economy has boomed. It has achieved an average annual economic growth of 9%, and Real GDP has increased nearly eight times. With an unemployment rate of approximately 2%, there is full employment for anyone seeking work. In fact, Singapore employs about 150,000 foreign workers.

With few natural resources, Singapore relies largely on the creativity and energy of its population. Its economy has evolved to where it is now heavily based on service industries. The historic mainstay of the Singapore economy was manufacturing. This still accounts for nearly 28% of the nation's employment and about 26% of the GDP. However, manufacturing recently has been outstripped by the financial sector. Positive incentives provided by the government have resulted in an increase in its contribution to the GDP from 17% in 1970 to 29% in 1990 while employing only 11% of the workforce. Currently Singapore is ranked as the third most important financial centre in Asia after Tokyo and Hong Kong.

The electronics industry leads the manufacturing sector, producing micro-chips, printed circuit boards, data processing equipment, and telecommunications equipment relevant for an information technology industry. Petroleum and petrochemical products, transport equipment, clothing and heavy engineering manufacturing also are significant. Trade, tourism and telecommunications are the other leading contributors to the GDP. Singapore has come to be recognized for its service economy, ranging from traditional shipping services to sophisticated computer software and hotels, making Singapore a convenient base for investments and expansion. In 1990, for example, Singapore attracted more than five million visitors. The Singapore container port, the focal point for 700 shipping lines, links it to 80 countries making this the busiest port in the world.

Few policies have been established by government directly linked to disability. There still is a predominant attitude suggesting that a child or adult with disabilities is primarily the responsibility of the family. A number of services for people with disabilities have been developed, but these are largely the result of voluntary groups such as the Singapore Association for the Visually Handicapped. Social attitude might be described largely as paternalistic, though not particularly negative. However, these social attitudes have prevented development of major initiatives leading to the employment of people with disabilities.

This stands in contrast to active approaches the government has taken towards the population at large.

For example, when Singapore achieved independence in 1965, the government was faced with what was viewed as a major population problem — a high rate of natural population increase. Given the limited land, resources, and massive unemployment at the time, the government felt a need to control the rate of population increase through public policy. A Family Planning Act was passed in 1965 providing various incentives and disincentives to discourage people from having more than two children. This policy, together with such other factors as the availability and achievement of higher levels of education and increasing numbers of women entering the labour force, contributed to a drastic fall in the rate of population growth. From a 3% annual rate of population increase in 1960, it dropped to 1.7% per annum in 1970.

Rapidly declining rates of fertility along with improved health care and the enhanced quality of living resulted in a new challenge — that of an ageing population. It has been projected that by the year 2000, 11% of Singapore's population will be aged 60 years and over, reaching 26% by the year 2030. These projections have raised new concerns amongst policy makers which led to the adoption of a new population policy in 1987 promoting the concept of a three-child family.

In Singapore there is no legal definition of what constitutes a small business. As a consequence, various authorities have adopted different definitions for their purposes, and different criteria may be applied for different sectors. A relatively common view, though, is that a small business is one which employs less than 100 workers within the manufacturing industry, and less than 50 workers for commerce and service industries. Another common definition uses amount of paid up capital as a measure of size; however, the stipulated amount of capital has varied over the years.

Emphasis on promoting small businesses has been relatively recent. A Small Industry Finance Scheme was established in 1976 to provide financial assistance to small manufacturing enterprises. The scope of the program was expanded to include technical assistance for the purpose of engaging consultants and upgrading skills of employees in 1982. Following an economic slump in the mid-1980s, a Small Enterprise Bureau was set up in 1986 when the government realized the importance of developing small enterprises. The Small Enterprise Bureau provides a range of services designed to help small firms improve and modernize their plants and technology, product design, managing skills and marketing potentials.

These various resources could conceivably by available to members of the disabled community. The primary limitation has been a continued

low expectation of what people with disabilities are capable of. The case illustrations following provide some preliminary examples of initiatives designed to promote income generation capability through small enterprises by people with disabilities. An aspiration is that these experiences will form the base for accessing small business support programmes in the future.

CASE ILLUSTRATIONS

Three examples of approaches enabling people with disabilities to become economically independent were identified. All had been developed in the relatively recent past, and encountered various obstacles. None might be said to be well developed at this point, though they are promising.

1. TULIP Furniture Enterprises

The Singapore Association of the Visually Handicapped (SAVH) entered into an arrangement with a local furniture manufacturer to establish TULIP Furniture Enterprises. TULIP is an acronym for Trading Unlimited of Light Impaired People. A market study found there was a demand in the open market for casual furniture such as coffee tables and trolleys. Singapore's location and infrastructure also made it ideal for serving an export market within the region and beyond. It was also established that the articles produced were of a standard acceptable to a market based on quality, not on charity.

The central intent was to create a joint venture leading to a multi-purpose production cooperative of disabled people. Three visually impaired men were given advanced training on relevant woodworking machinery by SAVH. They were then attached to a group of non-disabled workers in an existing woodwork factory with the view to absorbing disabled workers into the regular work force. Visually impaired workers were paid \$16.00 (Singaporean) daily, a wage three times higher than the \$5.00 paid to persons working on other sheltered projects.

TULIP Furniture Enterprises began operating in May, 1990. Within 19 months, however, the project was stopped because the Land Office viewed it as a misuse of the land for which it was intended. The factory had been set up on leasehold property set aside for the welfare of the visually handicapped. Local laws are such that premises demarcated for charity and welfare purposes cannot be used for commercial operations, thus the project was ordered to be terminated. Arguments by project managers that this attitude was inconsistent with the efforts of the Singapore government to discourage welfarism were made in vain. The project currently is suspended pending resolution of the discrepancy

between policies promoting economic development and the prevailing welfare policy.

The International Association of Mouth and Foot Painting Artists (AMAFPA)

AMAFPA provides scholarships to qualifying individuals seeking to establish themselves as painters. To apply for a scholarship one has to submit a number of paintings within a short period of time. Once the applicant is selected as a student of AMAFPA, he/she will receive a monthly stipend for three years to pay for living costs and materials required to learn painting. At the end of the scholarship the participants work will be assessed by a panel comprised of both able-bodied and disabled professional artists. If the works are deemed up to professional standard, the participant will be appointed to full membership where-upon he/she will receive a monthly salary for life.

One recipient of this scholarship in Singapore currently is in the last year of his three-year scholarship. The stipend helps pay for part of his living expenses, and the program provided has helped him approach high professional standards as an artist. Travel to international conferences sponsored by AMAFPA has allowed him to meet other foot and mouth painters in the world.

This type of initiative clearly has a narrow population in mind as well as a highly specialized product. Beneficiaries of the scholarships are aided in a variety of ways and, if the quality of work is sufficiently high, they can become economically self-sufficient. On the other hand, the international marketing efforts have historically been linked to charitable images of mouth and foot painters, raising a question as to the marketing strategies which have been employed.

3. Small Loans Program of the Singapore Association for the Visually Handicapped (SAVH)

The SAVH established a small loans program in 1987 for purposes such as enabling people with disabilities to upgrade themselves professionally; to buy equipment which would enable the person to improve their skill acquisition; or, to assist development of small business enterprises. The loans program was established after the association had provided a loan of \$10,000 to one individual for the purposes of attending an aromatherapy course in the United Kingdom. The recipient subsequently returned to Singapore and has set up an alternative medicine practice.

All clients of the SAVH are entitled to apply for such loans. However, applicants need to demonstrate both that they have a high probability of benefiting from the loan, and that there is a reasonable chance that the loan will be repaid to the association. Recipients are expected to contribute between 20% and 40% of the overall costs of equipment and/or enterprise development budget from their own resources. The ceiling for all loans is not to exceed \$10,000. Loans granted have a small interest of 1% per annum.

To date, only one person has applied for and received a loan from this source.

CONCLUSIONS

The Singapore environment provides both opportunities and constraints for pursuing self-directed employment by persons with disabilities. The economic context presents many opportunities for people with disabilities to enter the marketplace, ranging from manufacturing to financial services to tourism and other service enterprises. However, the prevailing social attitudes which have low expectations of persons with disabilities, along with government policies which do not promote small business development amongst people viewed as having low employment potential, serve to constrain developments.

The few experiences there have been of enabling individuals to become self-employed, as demonstrated in the case illustrations, indicate there is a base for developing future opportunities. For these to be successful, though, there will need to be efforts made to change both social attitudes and government policies.

CHAPTER 6 Kenya

John T. Kiwara

INTRODUCTION

Kenya lies in East Africa bordered by Uganda to the west, Tanzania and the Indian Ocean to the south, Somalia to the east and to the north Ethiopia and the Sudan. The land has a total area of 580,361 square kilometres (224,081 square miles).

The physical basis of the country is of extensive erosional plains, rising gently towards the highlands in the interior which have a base at 1,150 metres above sea level. Mt. Kenya, at 5,199 meters is the second highest mountain in Africa. The great Rift Valley bisects the country from north to south and is most spectacular in the highlands where it is 65 kilometres across and bounded by escarpments 600 to 900 metres high.

BRIEF COUNTRY OVERVIEW

Although Kenya lies on the equator, the range of altitudes results in temperate conditions in the highlands which are 1,500 metres or more above sea level. Only 15% of Kenya receives adequate rainfall for cultivation (100 mm in four out of five years). For most of the country, rainfall is of critical concern. In the west, rainfall is generally adequate for cultivation as it is in the highland east of Rift Valley and on the coast. But the extensive plains below 1,200 meters above sea level are arid and semi-arid.

Much of the land is intensively cultivated at a semi-subsistence level with cash cropping in some areas. Principal cash crops are tea, coffee and pyrethrum. The herds of cattle, goats, sheep and camels of dry plain are of little commercial value and the areas support a low density of population. Forests are largely restricted to upper highlands and fisheries are of a local importance in the lakes Victoria and Turkana.

At the August, 1979 census, the total population was 15,327,061. According to official estimates, total population in mid-1989 was 24,872,000. This results in a density of 42.9 people per square kilometre with more favoured regions reaching a density of 400 people per square kilometre. Approximately 75% of the population live in 10% of the area, mainly in central and western Kenya and in some parts of the Rift Valley. About 15% of the population live in urban areas, with Nairobi, the capital, estimated to have two million people. The towns have a majority of non-African residents, predominantly of Asian, European and Arab ancestry.

Kiswahili is the official language although English is widely spoken as the working language. Fifty percent of the population is under 18 years and not economically productive. Although there is no official data on persons with disabilities, it is estimated that for every ten people one is disabled, therefore, the number of disabled are over 2 million people.

Kenya is a developing country in the band of lower-middle income. Since independence, the economy has been moving towards a modern free market system along the lines recommended by IMF/World Bank. As is the case with most developing countries, production of agricultural commodities has been the major economic activity but significant progress has been made in the manufacturing and service industries.

In 1990, agriculture (including fisheries and forestry) contributed 28% of the GDP. The principal cash crops, tea and coffee, contributed 20% and 27% of the foreign exchange respectively. About 77% of the working population makes a living from the land with more than half of the total production being subsistence production.

Kenya has a good infrastructure, extensive transport facilities and considerable private sector activity. In 1990, manufacturing contributed 11% of the GDP but it employed fewer than 200,000 people and has been declining due to import liberalization and foreign exchange control removal.

Tourism has become the largest foreign exchange earner since 1989, with about 889,000 tourist arrivals that year. This sector employs, both directly and indirectly, the largest working population after agriculture and industry.

The growth of the informal sector of the economy was 13.9% in 1990 compared to 5.1% in the formal sector. It accounted for 53,100 new jobs out of the 91,900 created in 1990. Out of the 1.9 million people employed, 443,000 are in the informal sector. The growth of the informal sector has been phenomenal and its potential for creating

employment is almost limitless. It is characterized by ease of entry/exit, low initial capital required, skills required are available locally and employed labour aids in the redistribution of income. The government has been working on policy guidelines to encourage the growth of this sector, among them has been the construction of a central production workshop (Jua Kali sheds), rural electrification and expanded credit facilities.

Nevertheless, unemployment rates are very high, and it is extremely difficult for Kenyans with disabilities to find employment. As well, disabled people in Kenya often receive less education and vocational training than do able-bodied Kenyans.

APPROACHES TO PROMOTING EMPLOYMENT OF PEOPLE WITH DISABILITIES

1. Government

In Kenya, matters related to disabled persons are handled by the Ministry of Culture and Social Services. The government has established 12 vocational rehabilitation centres (VRCs) through the republic. These centres were established to cater to disabled people only and to train them in traditional skills such as tailoring and fashion design, metal fabrication, woodwork, electronics, etc. The government has also established the Kenya Institute of Special Education (KISE) which is charged with the development of the curriculum and the training of staff to aid children with special needs. KISE also trains special education teachers who assist disabled children living deep in the rural areas.

Despite these measures aimed at preparing people with disabilities for employment, there has been a gap of an affirmative approach to issues. No special laws are in place that govern matters related to disability, only general laws apply. A task force has now been formed to work on recommendations on the legal aspects of disability issues and the possible revisions. There are no specific quota systems but a job placement programme exists where skilled disabled people are assisted to become employed in relevant jobs.

2. Non-governmental Workshops

Many non-governmental organizations and churches supplement government activities. One of the pioneers has been the Salvation Army Church. It has established various centres for formal education and skills development. Joy Town School for the Orthopaedically Handicapped and the Thika School for the Blind are two examples. The church also runs the Variety Village for orthopaedically disabled and a workshop for blind adults.

The workshop can train and accommodate thirty trainees. Courses offered take two years. The trainers and supervisors are sighted. The products made by the trainees have a high market value and the money generated is for running the workshop, plus food and accommodation for the trainees.

After the trainees have acquired the necessary skills, each is given the relevant tools, a knitting machine or carpentry tools. They are released into self-employment. Trainees are also taught basic business management skills like bookkeeping and marketing.

Limitations of the program include: a high drop out rate among the trainees (less than half of those admitted finish the courses); the staff manning the centres have no formal rehabilitation skills; and, there is a low utilization of capacity. However, the centre provides a lot of hope for the many visually impaired people who have no other alternative training institutions.

The Association of the Physically Disabled of Kenya (APDK) also has several training centres. Such centres include the Likoni and the Bombolulu vocational training centres. The Bombolulu Workshop, founded in 1969, offers training and employment to the severely handicapped and blind persons who have little chance of securing employment in the labour market. For many who attend the centre, it is a major alternative to begging on the streets of Mombasa.

The centre is situated in an area famous for its beaches and is a major tourist attraction. The centre runs several workshops in jewellery, tailoring, leatherwork, woodcarving, plant nursery and furniture workshop.

The Jewellery Workshop, for example, makes products in over 500 different designs from copper, brass, ebony, leather goods and banana fibre. Every month about 2,000 pieces of jewellery are exported to the USA, Canada, Britain, Germany and other countries. Regular exhibitions are also held in tourist hotels.

Production is done by disabled people who, once trained, remain in the centre to produce and sell the goods. Applications are received from many disabled people all over the country and those who are severely disabled from poor families are the ones selected. The workshop trains and employees over 150 physically disabled and blind persons.

3. Transitional Workshops

A problem with existing rehabilitation centres is that on completion of skills training most persons with disabilities are still unable to work on their own. The training standards are not high enough and

they have no knowledge of how to procure material or market their products. Ten transitional workshops have been developed throughout Kenya with the purpose of helping disabled people produce as a group before they start individual enterprises.

INNOVATIONS LEADING TO SELF-DIRECTED EMPLOYMENT

While no formal evaluations have been conducted, informal evaluations by the government, International Labour Organization (ILO) and the United Nations Development Programme (UNDP) have found that measures aimed at creating employment for disabled persons have not succeeded in making them fully independent. Unfortunately, the VRCs do not train in business management skills even at the basic level, although graduates of the VRCs are expected to be self-employed upon graduation. Furthermore, there is no provision for working capital to buy tools, equipment and raw materials necessary to start a business. Since they do not compete favourably in the open job market and are often discriminated against by banks and others who see disabled peoples as recipients of charity, most disabled persons are generally unable to find jobs or to start a profitable enterprise. A small number have become self-employed and have succeeded despite the many obstacles.

An integrated approach towards self-employment was lacking until the government, together with UNDP and the ILO, initiated a programme geared towards promoting employment of persons with disabilities. Its major components include training the disabled in technical skills, business management skills, staff training to train disabled people, a revolving loan fund for those in self-employment, job placement and traditional sheltered workshops. A media and education campaign is also part of the programme that seeks to promote employment of persons with disabilities.

This program was launched in 1989 and covers 20 districts in the republic of Kenya. Plans are underway to extend the programme to the other 28 districts. The project period was four years but an extra year was added to consolidate the activities already started. The major objective was to assist disabled persons start or expand profitable businesses. The project office is located at Waiyaki Way, off Westlands, Nairobi.

The project specifically targets disabled entrepreneurs with a viable business scheme. Although preference is given to those who have already received work skills training, consideration is also given to those experienced in the work they want funded.

The project provides an integrated programme of assistance. It has various components including training of entrepreneurs, a revolving loan scheme, business advisory services and monitoring.

The main players in this project are the ILO, Department of Social Services, District Administration, Barclays Bank (BBK) and three NGOs who provide the necessary Basic Business Management Skills courses and follow-up the clients with business advisory services after they start the businesses.

The project, through a guarantee fund, makes credit available to the entrepreneurs with disabilities through commercial bank loans. The BBK branches lend their own money and would only liquidate defaulted loans from the guarantee fund. Initially, US\$500,000 was deposited with BBK as a guarantee fund. The fund has since increased through the interest earned at 19% per annum. Since loan applicants, though disabled, are ordinary entrepreneurs, the access to credit is on purely commercial terms. The only difference is that these applicants do not have to provide collateral security in terms of land title deeds, car log books, share certificates or house ownership certificates. This is taken care of by the guarantee fund.

A committee comprised of officials from these organizations in each district selects prospective entrepreneurs, reviews loan applications and consults at the grass roots level. Clients are identified from among those who have attended vocational rehabilitation centres. They are screened by the committee mentioned above to identify those most likely to benefit from the project.

Those selected are trained in management topics such as book-keeping, marketing, business planning, etc. The training lasts for one week and is conducted by an NGO designated to work in this area. The NGO is charged with providing training and management services to the clients on behalf of the ILO.

Business plan preparation follows the training and this is done by the NGO staff in consultation with the clients. The NGO business advisor regularly visits the client and he refines the business plans. A loan review committee screens the business plans to check the viability of the business plan and these are then forwarded to the Barclays Bank branch in the area.

The bank manager will then check the viability of the business plan and if it meets with his approval, he approves the loan which will not normally exceed K£5,000 (usually about US\$1,500). The loan is credited to the account of the loanee. In specific cases the loan is made to the supplier of the raw material or machines/tools to be purchased. Security is by chattels mortgage. The business advisor assists the client to implement the plan. Advice is also given on management

of the business. The servicing of the loans is watched closely. The project target is to reach 800 persons from all categories of disabled people. It seeks to assist disabled persons start or expand their businesses.

This project was recently reviewed by an ILO consultant (Metts, Metts, & Oleson, 1993). The following are a number of findings from the report. By August, 1993, 2,193 clients had been identified by the Disabled Persons' Loan Scheme, of which 776 had been trained, 565 had presented business plans to the bank and 237 had received loans.

The primary obstacle to the recipient's business success before entering the program was a lack of business capital. Loans obtained through the Disabled Persons' Loan Scheme were primarily used to improve existing businesses rather than start new ones. Only 9% of the sample surveyed started new businesses. As a result of the loans, the size of the recipient's businesses tended to increase dramatically. Average gross monthly sales increased by 80%. The loans enabled recipients to expand the number of persons employed. Women received about 40% of the loans, and on average these loans were 15% smaller. Women recipients also were younger. After receiving loans, the gross sales of women's businesses grew faster than men's (103% for women vs. 67% for men).

The report also identified a number of problems. One of the central ones was that more than 40% of the recipients are in arrears in repaying their loans. The reasons involve a mix of factors including delays in providing the loans which delayed business start-up, intentional mis-interpretation of the loans as grants by some politicians, intentional non-payment by some recipients, and a lack of follow-up in debt collection by the bank.

On the whole, though, the project must be rated as a success. The majority are repaying their loans successfully, and some are completely repaid. The self-confidence of many disabled people has increased markedly.

Many bank staff have also changed their attitudes regarding extending banking services to disabled people. NGOs have benefitted from the capacity building provided by the programme and government staff have also benefitted from the training. This will ensure that disabled people will continue to enjoy the services provided under the project after the project period expires.

SUMMARY AND CONCLUSION

Development work for disabled people in Kenya has been until recently the work of church organizations and a few non-government

organizations. The society, to a large extent, viewed disabled people as persons who required sympathy and pity and therefore should receive gifts and total assistance in meeting their daily basic requirements. They were viewed as people who should sit and beg for money, food and clothing. This view is made worse by the fact that the development work for the disabled is seen as social service work that should be financed only after essential services have been satisfactorily satisfied.

The above mentioned approach is, however, changing with many development agencies seeing disabled persons as a part of the greater society, with great potential to participate and contribute in the overall development of the country.

Although a lot remains to be done, a few lessons have been learned and are being utilized in rectifying what has previously been misconceived. The following could be useful in determining the future developments on disability issues.

Many non-governmental organizations, church organizations and the government have been involved with the training of disabled people for a long time. It is even assumed that training of disabled people has always been done. However, a lot has been missing in the curriculum for training disabled persons. The training has concentrated on the traditional skills of tailoring, carpentry, metal work, etc. without improvement to match the ever-advancing technology and market demand for high quality products. Skilled disabled persons have therefore been thrown out of business due to a lack of ability to face the demand.

The trainees and their sponsors have always assumed that a skilled worker would be capable of opening a workshop and operating a successful owner-operated business without further training in entrepreneurial skills. This has proved to not be the case and many are now incorporating a basic business management skills component in their curriculums.

Lack of working capital is another bottleneck to the success of a business owned and operated by a skilled person with a disability. The provision of hand tools and machines at the completion of their training has not proven to be enough.

The society has not changed much in attitudes towards disabled persons. The abilities are not yet clearly visible and a lot of education may be necessary. However, the extent of recognition of such abilities and the need to exploit them varies from one ethnic society to another; i.e. while some societies accept disabled persons as partners in development, others cannot even expose them to education or medical facilities.

Many disabled persons themselves do not believe that they have much to offer in development and participating in the general development. These are mainly those who have been beneficiaries of charity for a long time from either parents, family members or charitable organizations and the government.

There are many local and international NGOs who are still spending a lot of funds on charity rather than providing accountable funds to be gainfully utilized for employment. Such organizations create dependency on the recipients for their charity. The dependency created becomes very difficult for governments and development organizations to eradicate. Some disabled persons get used to receiving and spending without having to be involved in productive activity.

Closely related to the charitable organizations mentioned above are other organizations, public or private, who start development schemes with objectives which are not development related. A good example is when a loan scheme is launched by a government as an election strategy which contradicts all other credit schemes in the country. Such loan schemes have lower interest rates, longer repayment periods, longer grace periods among other very lenient conditions. Negative precedents are created by such schemes.

Many non-governmental organizations collaborate with the government in projects aimed at assisting persons with disabilities. Such organizations work independently of each other and in isolation. The result of this is that many of them end up duplicating assistance to the beneficiaries thus creating more dependency and less impact of the ground.

WHAT REMAINS TO BE DONE

There is need to consolidate efforts of different organizations and those of the government. This would be more educative to the beneficiaries and would reduce dependency and duplication.

Massive media campaigns, public education and awareness creation are necessary in order to change the negative attitudes towards persons with disabilities.

There is a need for legal registrations aimed at preventing marginalization of disabled persons in the spheres of mobility, education and employment.

There is a need to educate disabled persons themselves to learn to work for their livelihood, or part of it, instead of depending wholly on charitable organizations and governments who may not always be nearby to assist.

CHAPTER 7 The Caribbean

- Peta Anne Baker

INTRODUCTION

The Caribbean region can be defined in a number of ways. The predominant feature is the Caribbean Sea which is bounded to the south by South America, to the west by Central America and by the Greater and Lesser Antilles islands to the north and east respectively. For some, the Caribbean involves the islands, many known for their tourism. But the Caribbean is not necessarily limited to the islands as a number of mainland countries in South and Central America define themselves as part of the Caribbean region from time to time. Another definition is economic. Many (not all) Caribbean countries formed an economic alliance called the Caribbean Community (CARICOM).

Four major language groups are evident in the region — Dutch, English, French and Spanish. It is the English speaking countries in the Caribbean that are the focus of this study.

To identify possible income generation projects of interest, telephone interviews were conducted with key contacts in eleven countries in Antigua, Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, St. Kitts/Nevis, St. Lucia, St. Vincent and Trinidad/Tobago. This was followed by a mailed questionnaire to all the persons contacted. Fieldwork was carried out subsequently in five countries — Jamaica, Grenada, Dominica, Guyana and Trinidad/Tobago. The fieldwork consisted of observation tours, interviews with key project leaders and interviews with selected project beneficiaries and participants.

	Capital	Size (km²)	Total Population (millions)	Life Expectancy (years)	Literacy (%)		Per Capita \$US	
					Male	Female	GNP1	GDP2
Jamaica	Kingston	11,424	2.40	74	96	97	940	1,662
Dominica	Roseau	750	0.08	74	94	94	1,440	2,050
Grenada	St. Georges	345	0.10	69	98	98	1,340	2,000
Guyana	Georgetown	214,970	0.75	70	94	89	390	340
Trinidad & Tobago	Port of Spain	5,128	1.23	70	97	95	4,210	4,050

BRIEF COUNTRY OVERVIEW

The five countries examined vary considerably in size and population (see Table 7.1). They also vary in prosperity with Guyana having amongst the lowest incomes in the Western Hemisphere and other countries in the middle-income range as defined by the World Bank. Generally, all countries have relatively high literacy levels (though functional literacy often is less than that officially recognized) and the expected lifespan at birth reflects reasonably good basic health care.

Having said this, the conditions for people with disabilities are generally inadequate. Only a limited amount of education is available. There are few services other than those provided by non-governmental organizations and there are few provisions made in law for persons with disabilities.

A brief description of each of the five countries examined follows.

1 Jamaica

Jamaica is the third largest of the Greater Antilles islands. A mountain range occupying one-third of the land area runs across the island from east to west. A limestone plateau covered with tropical vegetation extends to the west. The flatlands are good for farming and the subsoil is high in bauxite. The climate is rainy, tropical at sea level and temperate in the eastern highlands.

Of the 2,403,500 (1990 mid-year estimate) residents, more than half (56%) live in the capital and other urban centres. At least half the total population is under 25 years of age. There is no hard data on the disabled population whatever. Most Jamaicans are of African descent (98%); with the remainder of Chinese, Indian, Arab and European origin.

Jamaica has a mixed economy, with a declining contribution from agriculture. Major exports include inorganic chemicals, bauxite, sugar, bananas, clothing and other manufactured products, petroleum products and non-traditional agricultural products. The tourism sector is currently the island's largest foreign exchange earner, and a large and increasing employer of labour. The official unemployment rate in 1990 was 15.3%; twice that in some parts of the urban centres and among women, although female unemployment is declining more rapidly than male unemployment.

There is no official information on participation of disabled persons in the labour force. Unofficial sources indicate very high levels of unemployment, participation in informal sector, limited formal self-employment, some openings in the private sector; and, a slightly better situation in the public sector.

Jamaica has a multi-party parliamentary system with weak local government structures responsible for a limited number of functions (e.g., garbage collection). It is an independent member of British Commonwealth and CARICOM.

The current government, elected in 1989, is continuing a policy of economic liberalization begun by its predecessor but at a more rapid rate. Government is divesting itself of most major economic enterprises and is assuming the role of "facilitator." With respect to employment, the public sector is still one of the largest employers of labour despite sizable cutbacks. The government's main employment creation activities are in the areas of manpower planning and training. In addition, it facilitates the provision of credit and technical assistance for small-and medium-sized businesses.

The government has substantial responsibility for social services (except housing), although reductions in budgetary provision have reduced the quality and scope of many of these services and have created the need for private sector and individual consumer involvement in the financing of many key services, especially education and health.

Most services for disabled persons are provided by non-governmental organizations, some of which receive small subventions from the government. The government has a National Council for the Handicapped which acts as a point of reference for the disabled (registration for bus passes, welfare assistance etc.), in addition to operating two or three small income generating projects.

2. Dominica

Dominica is the largest windward island of the lesser Antilles, located between Guadeloupe to the north and Martinique to the south. Dominica is a volcanic island with its highest peak, Morne Diablotin,

some 2,000 metres high. The climate is tropical with heavy summer rains. The volcanic soil allows for some agricultural activity, especially bananas and cocoa plantations.

Less than 20% of its 83,500 inhabitants live in the capital. The majority of Dominicans are of African descent, with a small indigenous Carib population plus persons of European ancestry.

There are no official statistics on the disabled population but literacy levels are extremely low due to an absence of educational facilities for this group (especially for hearing, visually and intellectually impaired persons).

A predominantly agricultural economy exists with the main exports being bananas and cocoa. There are emerging enclave manufacturing (free trade zones) and tourism sectors and a growing interest in ecotourism.

No current data is available on unemployment levels. High levels of out migration takes place to neighbouring islands, especially Guade-loupe. There is a fairly extensive informal sector, especially in the retail trade and agricultural marketing, including for export to neighbouring territories.

A multi-party parliamentary systems exists with quite an active system of (local) village councils. Dominica is an independent member of the British Commonwealth and also a member of the Organization of the Eastern Caribbean States (OECS) and CARICOM.

The government in office at the time of the study, favoured private enterprise and plays only a limited role in the economic sphere such as with respect to trade negotiations safeguarding preferential treatment for bananas in the European market. The government recently implemented an "Economic Citizenship" programme designed to attract Asian investors, whereby these persons can obtain Dominican citizenship in exchange for specified investments in the island.

Like most former British colonies, the state is primarily responsible for providing health, education and other (limited) welfare services. Some efforts at employment creation for the lower socio-economic groups have been made through its community development and local government system.

Such services for disabled persons as exist, especially in the areas of training and employment creation, are provided by non-governmental organizations, particularly the church, although disabled persons are also beneficiaries of state social welfare interventions. Greater attention is being given to the needs of persons with disabilities as a result of advocacy work done by the cross-disability Dominica Association of Disabled Persons.

Grenada

Grenada is the southernmost Windward island of the Lesser Antilles. The island, almost entirely volcanic, consists of a central massif with three main extinct volcanoes topped by crater lakes. The rainy, tropical climate tempered by sea winds is fit for agriculture, which constitutes the island's major source of wealth. The territory includes the islands of Carriacou (34 square kilometres) and Petite Martinique (2 square kilometres) which belong to the Grenadines group. (The remainder are part of the territory of St. Vincent and the Grenadines).

Of the estimated 100,200 (1990 mid-year estimate) population, over thirty percent live in the capital. There are no official statistics for the disabled population but the internationally accepted minimum of 10% is used.

Grenadians are of predominantly African descent, with some representation of persons of Indian (Asian) and European descent.

Grenada has an agricultural economy, with an emerging manufacturing sector (e.g., paints and beverages). Its main exports are bananas, spices (especially nutmeg and mace), fresh fruits and vegetables. Tourism is also a substantial earner of foreign exchange and a growing employer of labour.

There is no official data on unemployment but indications are that problems exist, especially for the youth, female and disabled populations due to a slowing of the relatively high growth rate (average 5% per year) and attempts by the government to reduce its fiscal deficit. An informal sector exists and is growing.

Since independence, Grenada has had a multi-party parliamentary system with one exception. During 1979 — 83 there was a break from this tradition with the seizure of power by the New Jewel Movement (NJM) led by Maurice Bishop and the institution of a single party though populist government led by him. Bishop and a number of his supporters were subsequently murdered by a party faction and the NJM government overthrown in an invasion led a few days later by the U.S. armed forces in October. 1983.

Grenada is an independent member of the British Commonwealth. The country is also a member of the OECS and CARICOM.

A policy of structural adjustment is currently being pursued with substantial attempts being made to reduce Grenada's deficit and improve its balance of trade. The private sector is the dominant actor in the economic sphere while the state is primarily responsible for the provision of social services.

Non-governmental organizations are fairly active in the provision of services for disabled persons, especially in the areas of skills training

and marketing, although the needs of this sector are far from being adequately met.

4. Guyana

Guyana is located on the northern coast of South America, and is one of two continental countries in the English-speaking Caribbean. It is bordered by Venezuela in the north-west, Brazil in the south-west and Suriname in the east. It consists of a coastal plain (15–60 km wide), which is below sea level; a large (150 km wide) rainforest and, to the west and south, an extensive mountain range. The country has many large rivers and a tropical climate with year-round rains.

Guyana has experienced negative population growth for a number of years due to the state of its economy and the high level of party political control of economic and social life. Of the population, 90% lives on the coastal plain, with almost 30% living in the capital. Approximately one-half of the population is of Asian origin, a little over a third is of African descent and the remainder is comprised of Amerindians (who live in the interior), and small but influential Chinese and Portuguese communities. There are no official data on persons with disabilities.

Its two major sectors are agriculture (notably sugar and rice) and minerals (bauxite, gold and diamonds). The latter two only partially exploited with the Indo-Guyanese population concentrated in the former sector and the Afro-Guyanese in the latter. Until recently, large parts of the productive sector were state-owned, however most of these enterprises have been divested recently, mainly to foreign interests.

There is no official data on the unemployment rate, but the continued rapid growth of the informal sector in almost all spheres indicates substantial declines in formal sector employment.

Guyana was declared a Cooperative Republic in 1970, four years after its independence. Until elections were held in October, 1992, the country was governed by the Afro-Guyanese dominated People's National Congress (PNC). It has a unicameral legislative structure, elected by proportional representation, with an Executive President and Prime Minister. It is a member of the British Commonwealth and CARICOM. It has a number of political parties, to a large extent, organized along ethnic lines.

Some new alignments, with multi-racial and/or common economic components, were successful (late 1992) in electing the People's Political Party/PPP Civic lead by former leader of the Opposition, Cheddi Jagan, in the country's first free elections in over twenty years.

Between the early 1970s and the late 1980s. a process of nationalization resulted in the state controlling some 80% of the Guyanese

economy. The policy of 'paramountcy of the party' meant that the state exerted substantial control over virtually every facet of economic and social life in Guyana. Non-governmental activities were severely constrained. This had an impact on non-state initiatives in the field of social welfare and development, including work with the disabled populations.

The government's entry into an agreement with the International Monetary Fund, as well as growing opposition to the dominance of the state, contributed to a trend towards privatization beginning in the late 1980s. Severe financial constraints have restricted the already inadequate provision of social services in the country.

5. Trinidad & Tobago

The country is an archipelago located near the Orinoco River delta off the Venezuelan coast. It is the southern portion of the Lesser Antilles in the Caribbean. Trinidad, the largest island (4,828 square km), is crossed from east to west by a mountain range which is an elongation of the Andes. One-third of the island is covered with sugar and cocoa plantations. Tobago, (300 square km), with a small central volcanic mountain range, is flanked by Little Tobago (1 square km) and the Bucco Reef. The prevailing climate is tropical with rains from June to December, but tempered by the sea and east trade winds. Rivers are scarce, and dense forest vegetation covers the mountains, forming a lumber reserve.

Of its 1.2 million people, approximately 67% of the population live in urban centres. There is a slight majority in the number of Trinidadians of African origin, with a large minority descended from persons brought from the Indian sub-continent as contract workers during the 19th century. Persons of European and Chinese descent make up a small minority.

As in almost all Caribbean islands, the local economy was based on sugar; however, the island also has substantial petroleum reserves and this sector developed rapidly after the 1970s oil price increases. Industrial and manufacturing sectors have also developed. Main items of export (in addition to sugar and cocoa) are: petroleum (crude and petroleum products, especially asphalt), inorganic chemicals, fertilizers, iron and steel and consumer products. There is a small tourism sector, especially in Tobago and at carnival time.

The country became independent in 1962, and proclaimed republican status in 1976. It has a ceremonial President and the executive is led by a Prime Minister. The twin island republic continues to operate within the multi-party democratic style of the Westminster

parliamentary system and is a member of the British Commonwealth and CARICOM.

Like most other English-speaking Caribbean countries, the government is currently pursuing a policy of structural adjustment, moving to divest itself of most of the industries which were nationalized during the 'oil boom' era of the 1970s.

Social service provision is similarly structured along the model of the welfare state, but with more limited social assistance provisions, and with cutbacks arising from the current economic policy. Some public services for disabled persons are available, but the majority are provided by non-governmental/social welfare organizations.

INCOME GENERATION STRATEGIES

Four major approaches to income generation have been pursued in the Caribbean. Initiatives identified with each, along with brief comments, are summarized below. More detailed comments on selected cases follow. The four strategies and related initiatives are:

- 1. Credit/revolving projects undertaken by:
 - Combined Disabilities Association (CDA) Jamaica. A programme which lasted for two years and assisted some 12–15 persons. Described below.
 - Grenada National Council for the Disabled. A small programme which assisted four persons in two years. Described below.
 - San Fernando Rehabilitation Centre Trinidad. The Centre's loan programme was only just getting underway at the time of the study. The Centre actually operates a multifaceted training and employment programme for the disabled on a commercial basis. The areas of training and employment are woodwork, garment construction and printing. Some trainees are retained in the Centre's own operations which are 80% self-financed. The credit facility is intended to assist the remainder (and other disabled persons from the wider community) with establishing their own businesses. There are no reports of the involvement of disabled persons in the establishment or management of this operation.
 - Dominica Association of Disabled People. A small, short-term programme established and managed by disabled persons which has been discontinued. Six persons received loans for activities in the area of vending, needlework and craft. One beneficiary reportedly 'graduated' to accessing commercial bank credit and is now an established business person.

- 2. Training/human development projects undertaken by:
 - O Port of Spain Independent Living Centre Trinidad. A very successful programme focused on confidence building and advocacy, not income generation. In fact, most of the participants were directed towards waged rather than self employment with the few known participants attempting the latter being unsuccessful. Although this may in part be attributed to the absence of training in management skills, it is also likely to be a consequence of the poor state of the Trinidadian economy which makes self employment a difficult option. This programme is actively controlled by disabled persons themselves.
 - Special Arts Project Guyana. An art and craft training project reportedly established by 'abled' persons which included a number of disabled. No data was collected on this project.
 - Grenada National Council for the Disabled (GNCD). An important programme implemented by influencing the policies and programmes of existing agencies which offer training and human development services. These agencies have been encouraged to accept disabled persons in their programmes. About 11 persons, mainly women from rural communities have been assisted in two years. While the impact on the individual beneficiaries was variable (in part due to inadequate support systems) this initiative has had a positive impact on the collaborating institutions and enhanced GNCD's visibility and credibility in the wider society.
 - Jamaica Society for the Blind. A programme implemented through a craft cooperative which is an independent entity operated by a group of visually impaired persons. Described below.
- 3. Community development or community-based rehabilitation projects with a income-generating strategy component undertaken by:
 - Three-D Projects Jamaica. The focus of this programme was to generate funds for the organization and has minimal control by disabled persons. Described below.
 - Small Projects Assistance Team (SPAT) Dominica. An NGO involved in community development including technical assistance to community-based enterprises. However, in the case under consideration, fieldwork revealed that the focus of this agency's intervention was assisting the organizational development of the Dominica Association of Disabled People itself more so than promoting income-generating projects for the disabled.

- 4. Establishment of commercial subsidiary(ies) of the main organization was undertaken by:
 - Combined Disabilities Association(CDA) Jamaica. CDA set up a large woodwork manufacturing enterprise — DEEDS. Described below.
 - Dominica Association of Disabled People which for a while operated a PVC furniture-making project. Described below.
 - Guyana Coalition of Citizens with Disabilities which attempted to establish a hatchery. Described below.
 - Grenada Council for the Disabled which set up a small mopmaking business — the Mop Shop. Described below.

CASE ILLUSTRATIONS

1. The Combined Disabilities Association (CDA) Loan Programme

The CDA Loan programme started in 1981 with a grant of J\$60,000 from the Netherlands Embassy in Jamaica. J\$50,000 was for the loan fund and J\$10,000 was to be used for administrative expenses. Twenty-five persons were to benefit from the loans which had a 10% interest rate. Since the records for this programme were not well maintained it is difficult to tell how many beneficiaries there were. It is estimated that 12 to 15 persons actually received assistance, and the activities pursued ranged from establishing a restaurant (the operator has subsequently passed away) to the purchase of cloth to the production of a record. The size of the loans approved varied widely — from J\$10,000 to J\$1,000, with the average being J\$2,500.

Those involved in administering the project, as well as the beneficiaries of the loan, agree it wasn't clearly stated that this was a revolving loan fund and therefore extremely important for loans to be repaid promptly. Some beneficiaries actually may have believed the funds were grants and received an impression that a much larger pool of funds was available.

The procedures of applying for and receiving a loan also varied greatly depending on how well potential beneficiaries were known to the fund's administrators. Consequently, one recipient might obtain a loan in a matter of days (with only the submission of a letter), while another could wait an extended period of time for a response and would have to personally raise some of the funds requested or provide some form of collateral.

Staffing inadequacies resulted in insufficient follow up once the funds were disbursed. A single full-time staff member was responsible

for managing both the organization's entire programme (quite extensive at that time) and administration of the fund.

The CDA was the first self-help cross-disability organization to be established in the region and, as such, had an active role in building the movement not only in Jamaica but across the Caribbean. While the CDA board and its committee (comprised entirely of volunteers) played active roles in all areas of the organization's programmes, only one member of the committee dealing with the fund had the relevant skills and experience needed to provide the technical assistance that was needed by the project beneficiaries and so was able to provide only limited assistance.

Despite these difficulties, it appears that more than half of the beneficiaries actually succeeded in engaging in income-generating activities which contributed both income and greater social well being during the life of the activity. One beneficiary continued her business until a better opportunity appeared and then handed it to someone else. Some beneficiaries eventually repaid their loans; however, by this time the organization had shifted attention to development of another project (see description of DEEDS).

The CDA revolving loan programme came to an end some eighteen to twenty-four months after it started. In reviewing the CDS experience it appears the greatest problem was an under-estimation of the level of resources required to effectively manage a revolving fund.

2. The Credit and Training Programme Operated by the Grenada National Council for the Disabled (GNCD)

The GNCD provides a framework for supporting self-reliance of disabled people through training, rehabilitation and employment. Two of their programmes are of particular interest—a credit programme and training.

(a) Credit Programme

Funds for the credit programme are raised by the Council through an annual fund-raising drive. The amount of assistance provided each year is dependent on the resources raised and other monetary demands on the Council (such as for straight welfare assistance).

Records of the loan programme are mainly nonexistent. Persons interviewed estimated that four or five persons had received loans in the previous two years (the maximum loan being EC\$4,000). Some beneficiaries may also have participated in skills training facilitated by the Council (see below).

Very little has been done either in terms of assessing the feasibility of proposals or in terms of follow up. Beneficiaries attempt to repay within the constraints of their operations' resources. The three beneficiaries interviewed all confirmed this. Those engaged in craft-related activities received assistance with marketing their goods through a 'Society of Friends of the Blind' outlet, but financial rewards were often low and the sales not always good. One beneficiary had withdrawn from the funded activity completely, and her partner had a stock of crafts on hand for which there was no market. Both had shifted to other income generating activities in related products.

The third beneficiary was unique in a number of ways. A leading member of the GNCD, he is active in (and in some respects the initiator of) the organization's fund-raising programme. His motivation of becoming self-employed was a combination of wanting the satisfaction of being his own boss and also wanting to demonstrate what persons with disabilities can accomplish. He operates a small bakery which employs four other persons (all male, one of whom is disabled).

Started originally as a partnership, the bakery now is an individually-owned limited-liability company. The GNCD's input was to provide emergency bridge financing when his partner withdrew from the enterprise. The enterprise is financed to the tune of some EC\$90,000 from his own savings (50%) and by a loan from a building society.

This enterprise differs from most of the other income-generating activities seen in the course of the fieldwork, in that a detailed business plan was prepared, the main beneficiary made a significant contribution from his own resources, all the workers were previously employed, and the enterprise is relatively successful, supporting the owner and his family as well as paying a competitive wage to the four other workers.

(b) Accessing Employment Related Skills Training

Accessing employment-related skills training is a priority of the GNCD. The Council has a commitment to integrate persons with disabilities into society, and therefore did a critical assessment of existing and future resources. Based on this assessment, they decided to initiate skills training within existing agencies rather than establish their own facilities. Organizations such as the Grenada Union of Productive Cooperatives, the Grenada Handicraft Association and the New Life Organization (NEWLO — a vocational training institution) have all provided training opportunities for project beneficiaries.

(c) Analysis

The GNCD, like the CDA, has a single staff person responsible for the organization's programme, although members of its executive play a very active role in programme planning and implementation. Transportation poses a major difficulty for staff and volunteers alike. An analysis of the organization's programme also reveals that it places greater emphasis on training, and on establishing its "own" income generating activities (involving disabled persons), than on financing self-employment opportunities for disabled persons.

Direct benefits to the participants is uncertain; however, the strategies employed by GNCD had a positive impact on collaborating institutions. One institution, initially reluctant to work with disabled persons, does so now without GNCD's intervention. Another employed the beneficiary of financial assistance for training. The strategies employed enhanced GNCD's visibility and credibility.

Eleven people have been assisted in two years, the majority being women with limited schooling and from rural communities. The main focus of training and subsequent employment has been in craft-related skills; however, these have had the attendant problems of low returns, unreliable markets, and an inadequate marketing plan.

As with the loans program, a lack of staff and financial constraints has not allowed for the maintenance of adequate records on the training program. Assessment of the impact of the program is difficult and the evidence of positive outcomes is largely impressionistic and can be contradictory.

Issues of access to training and absence of family or community support were identified as problems, particularly for one beneficiary who could not complete his training due to a mobility impairment. His requirement for assistance combined with household pressures on the main caregiver resulted in his training being stopped. Another beneficiary, upon completion of training, had a caregiver reluctant to allow freedom outside the family home, even though the beneficiary had the capability of looking after herself.

3. The GNCD Mop Shop

Aside from loan and training initiatives, the GNCD also ventured into creating a business subsidiary. Established as a joint venture between the Council and the Society of Friends for the Blind, this commercial enterprise employs one full-time worker in the production of mops. She is capable of single handedly producing enough mops to satisfy the islands' entire annual consumption of this item in little more than six months. At the time of the field visit, she had stopped producing because there were large stocks on hand with no market for them.

Established in 1990, the enterprise arose from an offer of an in-kind contribution from an overseas donor. There is no evidence that

any market feasibility study was done, and in fact the idea languished for some time before the interest of the Society of the Friends of the Blind led to steps to start the project. Approximately EC\$150,000 was spent refurbishing the building in which the project was located. Other start up costs brought total project expenditures to some EC\$200,000.

The enterprise started with four workers, but three soon dropped out. The remaining worker has seen her income double in peak production periods and has made new friends as a result of coming out of the home-based employment in which she was previously involved. However her working day has lengthened as she now has to rise at 4:00 a.m. to complete her household chores before setting out to the Mop Shop. The nature of the production process also has a negative effect on her health, as a fair amount of dust is generated in the making of the mops.

The project employs a part-time 'supervisor', who deals with those activities requiring sight, since the main producer is completely blind. The down-turn in production has resulted in the supervisor being paid EC\$10.00 per week. She is in fact one of the beneficiaries of the GNCD credit program mentioned earlier.

The supervisor spends most her time producing craft items from straw as a means of supporting herself. This was not what she originally received the loan to do. The loan was for the production of soft toys, but the market for this declined dramatically, and she has reverted to the production area in which she was previously engaged.

Both workers, and the staff of the GNCD are dissatisfied with the current state of the Mop Shop, but it is not clear whether the will exists to either close down the project, or aggressively seek markets for the mops not only in Grenada but elsewhere in the Caribbean. It seems clear that the joint venture arrangement has resulted in no-one being really in charge of the project and therefore in a position to make the necessary decisions. It also appears that inter-organizational jealousies may be playing a role in keeping the project in its existing state.

4. Jamaica Society for the Blind Skills Training

Training in craft skills is provided by a craft cooperative (actually a partnership) operated as an independent entity by a group of visually impaired persons. The co-op is located on the same premises as the Society for the Blind and provides training in exchange for low cost facilities, some administrative support and access to duty free privileges available to the Society. The Society for the Blind mobilizes funds needed to purchase raw materials and to provide a small stipend to trainees in the program.

The cooperative was started in 1982 and the training aspect some time later, becoming fully operational in 1990. The project started with three trainees who spent up to a year with the co-op. Plans are to increase the number of trainees to six at a time. Some trainees are absorbed into the co-op's operations and are paid on a piece work basis, while others establish their own businesses.

Three difficulties have been encountered in this project. First is the cost and availability of the main raw material. This is imported, and the decline in the value of the Jamaican dollar has increased production costs considerably. Also, some suppliers sell an inferior product which affects the standard of goods produced. Those trainees who come from and return to rural areas experience particular difficulties in this regard. One beneficiary has in fact moved away from the use of the imported raw material, and uses a more readily available, though not as attractive, material in his business. He is generating enough business to be able to subcontract orders to another disabled craft person.

The second difficulty is increased competition, including from church-sponsored projects, which undersell the co-op and individual producers. Again rural producers are more negatively affected because of their more limited access to markets.

The third difficulty experienced is that of misunderstandings between the Jamaican Society for the Blind, the craft co-op and the trainees about financing for the project and for wages. One beneficiary reported that she earned more by working on her own rather than for a piece work rate in the co-op. However this point of view was strongly contradicted by other workers at the co-op who pointed to production bonuses and other benefits provided in addition to the basic wage. One is led to wonder whether the first beneficiary had sufficiently taken account of the relationship between the various costs of production and marketing, and the cost of the final product which is what she compared with her wage. Regardless of the true basis of her complaint, she had been successful in accessing funding from a micro-enterprise development agency and was producing on her own.

Earlier problems with the handling of funding by the Society for the Blind on behalf of the craft co-op, and the co-op's dependence on sighted persons in the Society for some aspects of its financial management, have given rise to some suspicions about whether the co-op is receiving its due in compensation for conducting the programme. However, this difficulty does not appear to threaten the continuity of the programme.

A far greater threat is the state of the Jamaican economy and, in particular, the cost of raw materials which have to be purchased abroad.

The co-op is currently paying slightly less than the "blackmarket" rate for foreign exchange (which can be as high as 40:1) to the agent who purchases materials on its behalf. The co-op recognises that it will have to diversify its product, and build a "bread and butter" line on more accessible and affordable products if it is to succeed. This is part of the reason for plans to increase the number of trainees.

In the meantime, the project appears to create an opportunity for the acquisition of skills needed to ensure a livelihood for the majority of the beneficiaries. Some record-keeping and follow up inadequacies make it difficult to systematically analyze overall impact.

5. Community-based Rehabilitation (CBR) Project Income Generating Component

Three-D Projects is an agency which offers CBR services to disabled persons in Jamaica. Its founder decided to initiate an income-generating strategy both as a means of creating employment for disabled persons and their caregivers and to generate an income for the organization at a time when there were uncertainties about the financial security of the agency. In this regard, it became apparent from the interview that disabled persons were not involved in decision-making about the project and that the latter objective was the primary one.

The effort to establish income-generating activities lasted for about two years with two projects (pepper growing and paper bag making) actually started. However, both were terminated within six months of their initiation. The paper-bag making project came to a halt when a substitute from another supplier, made of plastic, rapidly gained market dominance. There also were difficulties with aspects of the financial management of the project. Some 14–15 persons, mainly the parents of the disabled, were employed during the life of the project. The pepper growing project also encountered difficulties. A hurricane destroyed one crop, produce was difficult to market (it was located in a remote area), and repeated instances of theft and vandalism and low productivity on the part of the workers, resulted in its termination. This project too was negatively affected by poor financial management. Some 7–8 disabled persons were employed on this project at the standard agricultural wage.

These failures accompanied by the difficulties of getting other proposed activities off the ground, an increase in the financial stability of the agency and a shift in emphasis of the main donor resulted in this strategy being abandoned.

The agency however agreed to broker small project applications from caregivers of disabled children to a Dutch funding agency. In the

almost four years of the project's operation, only one disabled person has accessed funding from this source.

The agency then shifted its focus to providing training in employment related skills, but again experienced difficulty with securing placements once persons were trained. This project has been re-designed and has been re-launched.

Note should be taken of the fact that the self-help organizations promoted by Three-D also provide some limited support for income generating projects. However, these are operated by the parents of disabled persons who are the main members of the organization. Most of these persons are not themselves disabled and no evidence could be obtained of whether any of the disabled people in the organizations had received assistance. In one parent's organization, the leadership is provided by a number of prominent community members who have established a large scale chicken-rearing project for the association. Information on this project was difficult to acquire due to a breakdown in relations between Three-D and the association.

6. DEEDS (Diversified Economic Enterprises for Disabled Self-help) Industries Ltd.

DEEDS is a subsidiary of the Combined Disabilities Association (CDA) in Jamaica. It was established in 1983 in premises previously occupied by a Salvation Army sheltered workshop. Initially efforts were made to start a mirror re-silvering project, but soon shifted to the manufacture of wooden products.

The objectives of the enterprise are threefold: to demonstrate the potential of persons with disabilities to work alongside those without in an open employment situation; to provide employment and income for disabled persons; and, to provide a source of income for the parent organization. The first two objectives have been achieved with DEEDS now operating as a medium-sized manufacturing entity employing 65 workers, more than 60% of whom have a disability. No decision has yet been taken about when and how the income generated by the enterprise will by used to support the work of the parent body.

After a number of false starts, and a major setback which resulted in the workforce being cut back to 18, the enterprise had generated sufficient income from sales to meet all its expenses in the two years prior to this study. However it continues to receive some grant funding and technical assistance from external sources, probably in an effort to build up sufficient reserves to allow it to survive when funding is withdrawn. The enterprise has become a symbol of success and a model for similar efforts in the Caribbean and throughout the self-help movement.

Workers earn a high enough wage to enable most of them to purchase low income housing units from the government's National Housing Trust. (One of the outcomes of CDA's advocacy was to secure the agreement of the Trust to allocate 10% of units in its housing schemes to qualified disabled persons.) They earn enough to "gladly" pay a penalty of \$30 per week for not attending twice weekly literacy classes which are held at the factory — a matter which needs closer examination, but seems to be related to the fact that literacy skills are unnecessary because workers have job security. Some workers, especially at the supervisory level, have made use of on and off the job training opportunities to improve their skills.

Interviews with a cross-section of workers at the factory revealed high levels of satisfaction and self-esteem (with the expected occasional complaints about management, and expectations of increased wages now that production and sales were doing well). Interesting comments were made about the change in the management of the organization from a Managing Director who was disabled to one who is not, which has resulted in greater discipline on the part of workers, and made a significant contribution to improvements in the financial position of the enterprise (sales moved from J\$1.4m to J\$2.9m in one year).

It was felt that the previous manager, who is a founding member of CDA, identified too closely with the workers and was therefore more easily manipulated by them. Instead of displaying a purely businesslike attitude, such as is evidenced by the incumbent, he adopted a more paternalistic approach, resulting in certain breaches of discipline being overlooked. The workers acknowledge their contribution to productivity or the lack of it, as well as paying their respects to the "nice" attitude but "don't joke" policies of the current manager.

7. Guyana Hatchery Project

A hatchery project planned by the Guyana Coalition for Citizens with Disabilities (GCCD) is in a state of limbo before the first chicken has been hatched. Although sponsored by the GCCD, it seems that little meaningful consultation has taken place with the intended beneficiaries in the mistaken belief that participation will not be forthcoming until the benefits can be seen. Some limited discussion with some potential beneficiaries lends some measure of support to this view.

There was evidence of an attitude of dependency by prospective beneficiaries, and a not unreasonable questioning of the value of becoming involved in an enterprise from which one would earn half of what one could collect by begging. Dependency also characterised the attitude of the main project leader, who wanted to get official permission before agreeing to do the interview for this study.

The hatchery itself is to employ only six persons, and current thinking at the time of our interview was that these persons would have to be able-bodied, as the working conditions would likely be a hazard to the health of disabled persons ("they may get pneumonia"). Disabled persons are to benefit by getting credit to purchase the young birds and raise them to full growth for sale.

In the two and a half years that this project had been in its planning phase, market conditions also changed considerably. At inception government policies had banned the importation of chicken meat creating a good market for this item. Since that time, the government has completely reversed its policy and the market is now flooded with imports of cheap chicken meat.

The physical facilities of the hatchery had already been built and it was awaiting an inflow of funds for working capital to start operation. It was not clear whether the GCCD would be able to sort out the various organizational and other matters necessary to either start production or cancel the project in light of the foregoing.

8. PVC Furniture Manufacturing

The Dominica Association of Disabled People (DADP) also is questioning the wisdom of pursuing its venture into the production of PVC furniture. The DADP undertook a pilot project in PVC manufacturing between 1989 and the end of 1990. The idea had emerged some time earlier as a result of the Association's participation in a national small business exhibition. A supplier of prefabricated kits was identified in a neighbouring territory and serious preparations for the project began. Rent-free facilities were acquired in a factory and, following the production of some sample items, a few orders were received.

A total of seven people, all male, were employed on the project—five fulltime and two part-time, including a salesperson. The project was managed by a Peace Corps volunteer. Financial assistance from the Small Projects Assistance Team (SPAT), a multi-faceted development and technical assistance group in Dominica, and a private sector company helped with the cost of production.

The project came to an abrupt end with the departure of the Peace Corps volunteer and the loss of the rent-free space they were occupying. Efforts to find alternate accommodation have proven unsuccessful. In addition, the failure to include the cost of project management and real wages for workers, resulted in the products being underpriced. When the true cost of the product is computed, it becomes unaffordable to the average purchaser. Market acceptance has also declined due to promotion of the use of indigenous raw materials for furniture production.

At the time of our study, the DADP was taking a hard look at the feasibility of the venture.

While the impact of the venture on the workers has been limited, involvement in the project has improved the visibility of DADP and has helped leading members of the organization to develop a deeper appreciation of both of the importance of creating employment for disabled persons and of what is actually involved in such an undertaking.

FINDINGS AND ISSUES

- 1. Documentation and Evaluation. The first and most obvious finding is the inadequacy of documentation and evaluation of project impact among almost all the agencies. This is perhaps not surprising given the relative inexperience and small size of most of the organizations. The neglect of the needs of the disabled community has resulted in these self-help organizations assuming a multiplicity of roles, some of which are played by state agencies and larger established voluntary organizations in the more developed countries. When confronted with demands for relief, rehabilitation, advocacy and an income, in an environment of apathy, dependency and benign neglect, it is difficult to take the time to document and analyze what one is doing.
- Analytic Ability. Documentation and evaluation also requires a level of analytical ability which was not always evident, and questions about strategies and priorities from the researchers frequently had to be rephrased in order to be understood.
- 3. **Pressures of Organizational Survival.** Another organizational issue is the pressure of organizational survival. With one or two exceptions, the various agencies and associations were heavily dependent on external funding, and therefore susceptible to the perspectives and changing priorities of donor organizations. Donor resistance to providing resources for staff support is well known, and the lack of adequate staffing for projects was very much in evidence. There were also issues related to competition and collaboration, and their impact on project success.
- 4. Need for Business Management Approach. The commentary of DEEDS workers about their former manager provides a useful flag for an important issue — the temptation to put aside the kind of businesslike approach required for successful enterprise development out of sympathy for project participants. This attribute could be seen as a factor in the failure by most credit programmes to

explain clearly that the funds being provided had to be repaid, and repaid on time. There were no reports of any kind of sanction being applied to beneficiaries who failed to meet their obligations, except in the case of DEEDS under its new manager.

- 5. **Other Business Attributes**. The absence of a businesslike attitude on the part of project sponsors was not the only factor in project failure or inadequacy. In some instances, it was an absence of the skills required to set up and maintain a business. In others, insufficient attention was given to ensuring that the nature of the income generating activity was suited to the participants' disabilities. Equally important, the state of crisis in most of the Caribbean's economies meant that the road to self-employment was far from smooth.
- 6. Ensuring Participation/Control by Disabled Persons. The extent of control and participation by disabled people in the initiation, planning and implementation of projects also needs to be explored. It is evident that it is not only projects operated by 'the able' on behalf of 'the disabled' which have a problem with ensuring the participation of and increasing control by persons with disability.
- 7. Increased Visibility. Worthy of note is the fact that even where there are weaknesses or outright failure many projects have contributed to increased visibility for the sponsoring organizations. Some organizations have also begun to analyze and assimilate the lessons from their experience.
- 8. **Self-employment Not an Option for Everyone.** Perhaps the two most interesting income-generating activities identified were the bakery in Grenada and the JSB Craft Co-op. In both these instances, the enterprises were started on the initiative of the participants themselves and involved the investment of their own resources. In the case of the Craft Co-op the workers had invested money they received as a redundancy payment from the Salvation Army which had previously operated the enterprise and which had closed it down in response to efforts on the part of workers to become unionized. In the case of the bakery, the owner used his savings to make up to a full 50% of the start up costs (the remainder came from the GNCD loans program).

These enterprises and their owners exhibited high levels of determination and self-confidence, even in the face of obstacles such as escalating costs, competition from other producers, inadequate facilities and less than full support from all the members of one's family (the bakery).

These examples confirm what has been stated elsewhere, that self-employment is not an option for everybody. Self-employment is best pursued as a matter of choice rather than out of necessity. It is well known there is a high rate of failure among small businesses. An entrepreneur must be able to adjust to bad periods and be prepared to start over again if necessary. Older persons with some relevant skills and experience appear more likely to succeed, all other things being equal.

The case of DEEDS Industries alerts us to the possibility that organizations can develop and display entrepreneurial abilities as can individuals. However, the nature of business leadership in such an organization is critical. These factors should influence our assessment of strategies being pursued.

CHAPTER 8 Central America

Leonor Kaufman

INTRODUCTION

A report from the Economic Commission for Latin American and the Caribbean (CEPAC) in 1990 provides the following picture of Central America. Prior to 1978 there had been almost 30 years of economic growth, the profits of which were not distributed equitably amongst Central American people. An extensive amount of violence followed as a result of which conditions deteriorated. Social indicators such as the following describe what happened. More than 160,000 people died as a consequence of violence in the ten years prior to 1990. Today about three out of five Central American people live in poverty, and two out of five do not even have their basic needs met in relation to food and health. Three out of ten Central American people do not know how to read or write. While about one-half of the population in Central America have basic health services, about ten million do not have running water.

The prospects of improving this situation are quite limited at present. The political trends are to reduce fiscal deficits and to try to pay external debts. The consequence throughout Central America has been an increase of unemployment, reduction of actual salaries for the average person, increased amount of informal labour, and the tendency to reduce the resources available for social services.

Out of the general context as described, five countries within Central America were selected for study: Costa Rica, El Salvador, Honduras, Guatemala and Nicaragua. Table 8.1 summarizes basic socio-economic information on each. Of these countries, Costa Rica was least affected by the upheavals of the 1980s.

Country	Country Population (millions)	Area (000s square kms)	Urban Population (% of total)	GNP per Capita (\$)	Urban Population GNP per Capita Life Expectancy at Birth (% of total) (5)	Adult Illiteracy (% of total)	Infant Mortality (per 1,000 live births)
Costa Rica	2.8	15	æ	1,900	75	7	16
El Salvador	3.9	130	99	N	59	NA	25
Guatemala	9.2	109	4	906	63	45	62
Honduras	5.1	112	25	230	59	77	29
Nicaragua	3.0	,	99	W	99	A	55

Data was collected from February 27th to March 18th, 1992. In gathering information, particular care was taken to contact those projects and explore those activities which could provide examples of income generating strategies for people with disabilities. As the research progressed, six distinct stages of contact with groups, organizations and individuals began to emerge:

- 1. Initial Contact. The selection of target institutions and organizations was made from Costa Rica through contact with Central American umbrella organizations for people with disabilities. The Latin American Group for the Professional Rehabilitation (Bogota, Columbia) was amongst those contacted, as were several private institutions of professional rehabilitation with which the Latin American group of Professional Rehabilitation is affiliated.
- 2. Data Collection in Each Country. The study began in Costa Rica and continued in El Salvador, Honduras, Guatemala and Nicaragua. In each country, public institutions of rehabilitation were contacted, as were Ministries of Planning, Health, Education and Labour as well as any project recommended to the study in the course of data collection. Information related to social and economic indicators was also gathered.
- 3. The Selection of Strategies and Projects. The following characteristics of a project were considered before inclusion or exclusion in the study: stated objectives, process of decision making, organizational structure and financial structure.
- 4. **Interviews**. Interviews were conducted with individuals as well as groups as dictated by the nature and the characteristics of each project.
- 5. Classification of the Information. Information generated by the research was classified and organized based on the proscribed format of the study; income generating strategies were identified as well the limitations experienced during implementation and outcomes.
- 6. Analysis of Data and Report. In considering the information gathered by the research, it is very important to take into account the lack of organized information, both quantitative and qualitative, which is available regarding people with disabilities in the countries examined. In most cases, available data is comprised of estimated figures made by international organizations. No centralized information sources exist in the countries studied making the collection of data and the selection of projects even more difficult.

BRIFF COUNTRY OVERVIEW

A brief description of each country provides a context for the income generation initiatives identified.

1. Costa Rica

Costa Rica is bordered to the north by Nicaragua, to the east by the Caribbean Ocean, to the south-east by Panama and to the west by the Pacific Ocean. The country is divided politically and administratively into seven provinces, 81 areas and 417 districts. For the purposes of development planning, the country is subdivided into six regions: Chorotega (NE), Huetar Norte (N), Pacifico Centro (Pacific coast,) Brunca (SW), Huetar Atlantica (Atlantic coast), and Region Central (Central). Most of the population, services and resources of Costa Rica are concentrated in the central region.

From 1950 to 1980, Costa Rica based its economic and social development on agriculture and industrialization. A significant impact of this approach was to attract foreign investment. During the period 1980–82, the country became mired in an economic crisis which affected all social and economic aspects of its development. Production was diminished by approximately 9.1%, prices increased by approximately 179.5%, and salaries were reduced by 40%. Costa Rica's response to this economic crisis was to make political adjustments governed by international financing bodies.

By the early 1990s, the situation was characterized by increased poverty rates accompanying an increased rate of unemployment. Only 38% of the population was in the labour force in 1990 according to the available data. An active informal market supplies the most significant alternative for income generation by poor families. The informal economy is concentrated in the Central Region. Here, one out of three persons works in the informal sector of the economy.

Costa Rica has made an effort to identify the population that is considered disabled. To that end, a National Registry of Persons with Disabilities was created in April of 1978. Also a national planning council was set up to deal specifically with rehabilitation and special education. The council's main objective is to develop policies to deal with rehabilitation and special education in co-ordination with the Ministries of Health, Education and Work. In addition, the council works to design, promote and implement special programs and services for people with physical and mental disabilities throughout the country.

A National Census of Homes in 1990 found that disabled people comprised 10% of the total population. Of the 250,942 persons identified as disabled, 25% were under age 20, 26% were in both the age ranges

of 20 to 39 and 40 to 59, and 24% were aged 60 and older. A breakdown of disabled persons by age and gender grouping follows.

Group by Age	Totals	Male	Female
0–9	21,445	11,851	9,594
10–14	21,192	11,551	9,641
15-19	19,961	10,049	9,912
20-29	31,547	17,064	14,483
30–39	32,471	15,601	16,870
40-49	30,730	14,665	16,065
50-59	33,265	17,775	15,490
over 60	60,093	31,108	28,985
Ignored	238	114	124

From: The National Census of Homes, July 1990

Disability related policies, resources and infrastructure have been guarded by the creation of a National Council in Rehabilitation in 1973. This council incorporates representatives from the work, health and educational sectors as well as from public and private organizations with an interest in dealing with disability issues. Persons with disabilities are represented on the council by The Costa Rican Federation of People With Disabilities (FECOLIF). The Rehabilitation Council develops national policies of prevention and rehabilitation for persons with all types of disabilities.

2. El Salvador

El Salvador is bordered to the north by Guatemala and Honduras, and to the south by the Pacific Ocean. Due to guerilla warfare over the past decade much of the urban population has moved to rural areas, significantly altering the proportion of urban and rural inhabitants. Available public statistics do not reflect this change. The population is extremely young as is illustrated by the following estimates of age composition: age 0 to 19-57.2%; age 20 to 39-24.3%; age 40 to 64-14.9%; and, over age 65-3.6%.

The proportion of the public budget dedicated to defense and security increased from 4.8% in 1975 to 20.3% in 1985. Only in the last few years of the 1980s has there been a slight increase in economic prosperity. The service of El Salvador's debt absorbs approximately half of the total national income generated by exports mainly of coffee, sugar, cotton and some oil by-products. Over 50% of the population was living in extreme poverty during the late 1980s.

No accurate data is available as to the numbers of disabled people in El Salvador. The country has adopted as a base the 10% disability

rate established by the World Health Organization (WHO), but this does not take into account the segment of the population which has become disabled as a result of civil war. The Institute of Rehabilitation of El Salvador, a government organization with a number of centres throughout the country, made an evaluation of the availability and effectiveness of employment and support programs for people with disabilities in January 1992. The report characterized the situation as follows:

- 1. There is no registry of the disabled population, employed or unemployed, in El Salvador;
- 2. There is no agency or institution devoted to the rehabilitation or professional training of people with disabilities;
- 3. Most of the services of vocational rehabilitation are concentrated in the capital;
- 4. There is a general lack of co-ordination among the institutions and agencies geared to the training and employment of people with disabilities:
- 5. There is no registry of enterprises which participate in the training of or hiring of people with disabilities; and,
- 6. There is a general lack of funds for the creation and management of micro-enterprises in which people with disabilities can participate.

3. Honduras

Honduras is the second largest country in Central America, with 25% of its area agricultural, 66% forested, and 9% urban or unclaimed land. Honduras' strategic geographic position in Central America has resulted in it playing a pivotal role in the socio/political crises of the countries by which it is bordered (Guatemala, El Salvador and Nicaragua). Their crises have had a tremendous affect on Honduran living conditions. Honduras' most positive cultural and economic exchange is with Guatemala. For El Salvador, Honduras has become a destination for refugees escaping their own country's political conflict. With Nicaragua, Honduras has had geographical, political and military conflicts which have remained unresolved for many years.

The population within Honduras has grown considerably over the last decade with an annual rate of 3%. Over 56% of the population is comprised of people less than 19 years old, though the proportion of this group compared to the whole population is beginning to decline. In the past, mortality rates in general have been extremely high. Though they have decreased considerably, they are still high compared to that of other regions in Latin America (see Table 8.1 for infant mortality and life expectancy rates).

Of all Latin American countries, Honduras is among the least developed economically and socially. Hondurans are extremely dependent on exports, have low levels of productivity and poor living conditions. Honduras does not have its own industrial or manufacturing infrastructure and there is a wide gap between rich and poor. About 30% of the population are in the labour force (UNDP, 1992), of which over 60% are in agriculture, 16% in industry and 23% in services. Those who work in agriculture have the lowest income and the lowest social status. Most agricultural workers have temporary and seasonal employment from which they try to complement their income by manufacturing handicraft products and transporting these products from area to area in search of buyers. Landowners, who constitute 21% of the population, are able to produce throughout the year. Those who own great tracts of land are related to large commercial operations and employ only 1.7% of the agricultural work force to cultivate coffee and sugar.

An estimated 70% of the total population lives in extreme poverty. Of the rural population, 93% have a low income while only 7% have an intermediate to high level. Taking into account the devaluation of currency, the Central Bank has estimated that the cost of living in Honduras tripled from 1988 to 1992. Consequently, informal economic activities are very common in the metropolitan areas, with most of these activities taking the form of street sales.

No hard data is available on prevalence of disability, but two reports have provided general projections. UNICEF, for example, estimated 348,049 persons as disabled in Honduras. Another projection from the Institute of Rehabilitation of Disabled People of Honduras estimated 424,856 people as disabled. Of this population, 53% were estimated over 14 years of age. Since there is no registry to supply an exact measurement of the disabled population, these figures are mere estimates.

In 1987 the Institute of Rehabilitation and Habilitation for Disabled People was created in Honduras with a mandate to co-ordinate, control, lead and manage the programs of the government and private institutions whose purpose is the rehabilitation and habilitation of people with disabilities. In this institute, there is representation from health, work, education, planning, professional training and labour organizations from private enterprise as well as from all the Honduran centres for rehabilitation. The government of Honduras has established several centres for the personal and vocational training of people with Downs Syndrome, language disability, intellectual impairment and auditory impairment. These provide vocational training in areas of carpentry, sewing and cooking. The combined range of services of all the organizations and training centres for people with disabilities reach approximately

.01% of the disabled population, leaving 99.9% of the population without access to this kind of support.

In December 1987, a by-law called Habilitation and Rehabilitation for Persons with Disability was passed by the government of Honduras. This bylaw highlights the importance of rights under the constitution for all citizens of Honduras. The government of Honduras has as its mandate, an obligation to secure work opportunities for people with disabilities who are suited for employment. Another bylaw for promotion of employment for people with disability was passed in April of 1991. The Bill establishes a number of specific work places according to the numbers employed by industry or service in public as well as private sectors.

4. Guatemala

Guatemala has boundaries with Mexico, El Salvador and Honduras. Its population is ethnically diverse with approximately 21 different groups each with its own language. The majority of the population is rural and located in 19,000 small communities of approximately 2,000 inhabitants each.

The development model for Guatemala has reinforced inequity within its economic infrastructure. Land is owned by approximately 2.2% of the population who control approximately 65% of the country's available area. Ten percent of the population receives 44% of the country's income. As a consequence of these discrepancies, 77% of Guatemalan families live below the poverty line. Over the past 60 years this has been the major impetus behind the eruption of guerilla warfare which has attempted, through armed struggle, to effect a re-distribution of wealth. This internal warfare has taken approximately 100,000 lives in the past decade, with another one half million to one million people having left the country.

In 1985, after three decades of military regimes, Guatemala initiated a democratic process. This movement has resulted in the slow regeneration of unions and community organizations. In the last few years, however, a series of economic trends has resulted in an increased national debt, inflation, increased poverty, speculation, and decrease in health care, education and housing. These factors, in combination with a population increase, have resulted in the further dissatisfaction of the general population.

As of 1990, agriculture accounts for 26% of the country's gross domestic products followed by 25% in commerce and 15% in industry. About 34% of its population is in the labour force (UNDP, 1992), of which 60% work in agriculture, 16% in industry and 23% in services.

Though there has been a yearly census since 1981, little information has been collected concerning the disabled population. It is estimated that there are approximately 78,600 disabled people, but if one applies the 10% rule suggested by the WHO, this number increases to 920,000.

Through government legislation, a National Committee for Disabled was created March 29, 1983. The objective of this committee was to develop a policy of prevention and rehabilitation. This committee has representation from the areas of work, health and education as well as from institutions and organizations which promote the development of rehabilitation programs at both public and private levels. The disabled population is served by the educational system and this covers approximately 2% of the population. Throughout the country there are several institutions offering programs in the areas of rehabilitation and vocational training for people with sensory and physical disabilities. In general, there is a lack of organization among disabled people which has meant that government response has been limited. The organization of disabled people into groups has been made difficult by an authoritarian government which prohibits group organization. Consequently, people with disabilities have been unable to congregate or unify in order to work towards national systems of rehabilitation.

5. Nicaragua

Nicaragua occupies the central portion of Central America. Its borders are Honduras, Costa Rica is to the south, the Atlantic Ocean to the West, and the Pacific Ocean to the west. There are three large regions well differentiated, not only by their geographic characteristics and the climate, but also by the socio-economic development.

The Pacific region is composed of low areas which are warm and flat. Due to the fertility of the land, this part of the country (approximately 20% of the territorial area), has approximately 60% of the total population. It contains a large number of industries, commerce, production, agriculture, exportation and the most important urban centres of the country.

The central region has a warm climate with rain seven or eight months of the year. It is an area populated with small farms dedicated to agriculture. They tend to be organized into co-ops in order to sell their products which are mainly coffee and rice.

The Atlantic region is tropical with high humidity and high index of rain. It constitutes approximately 50% of the total area of Nicaragua. People here are somewhat isolated from the rest of the country because of geography. The main economy is in mining, wood, and fishing. It is an area populated by a diverse variety of groups.

Since 1979 there have been a number of changes in the organization of government and society. Where once the government had centralized institutions, slowly these have become decentralized; first to the regional level and then to municipal levels. One of the most important developments over the last decade has been the development of non-government organizations by different social sectors in the society. These organizations are religious unions (basically christian).

The economy of Nicaragua has been in crisis since the civil war. During the first few years of the 1980s, the country experienced tremendous economic changes due to nationalization of the banks, foreign trade and exploitation of natural resources. During this time reforms were introduced to the organization of agriculture and social services, and government enterprises were created. About 1980 the economy grew at a rate of 3.4% annually and unemployment was reduced to 25%. The start of the war signified only economic loss and destruction of infrastructure.

Reallocation of human and financial resources in defence of the country, loss of productive capacity, efforts to maintain social programs and a policy of stimulating credit and production generated a hyper inflation which in 1987 reached a peak of 1,300%. More recently the government has tried to apply measures to adjust inflation, but it was still 14% in 1990 (World Bank, 1992). In the late 1980s only 34% of the total population was considered in the labour force (UNDP, 1992).

Nicaragua has no statistics on numbers of disabled people but, due to the political and socio-economic conditions during the 1980s, it would be safe to assume that the international estimate of 10% would be a minimum. It probably is much higher. To address issues of disability, the government created a National Commission of Rehabilitation. Its most important role is the co-ordination of organizations concerned with disability. The policies of government, especially regarding training and rehabilitation for employment, are oriented towards the promotion and the integration of people with disabilities into the family and into the community. Special resources are to be a last resource after all alternatives within the generic resources in a person's community of origin have been exhausted.

There are three specific centres for people with disabilities: one is for people with physical impairments, a second for sensory impairments and a third for mental disabilities. The Centre for Professional Rehabilitation (Gaspar Garcia Laviana) provides services in assessment, evaluation, orientation and training in the areas of sewing, cutting, repairs of domestic appliances and craftsmanship to persons with sensory/motor impairments. The Centre for Rehabilitation of Blind People (Carlos Fonseca Amador) offers services in the areas of assessment,

orientation and training in knitting, making brooms and craftsmanship for persons with visual limitations. The Centre also provides a residence for 30 males and 10 attendants of both sexes. The last centre is the Villa Libertad which responds to persons with auditory impairments and mental retardation. It offers services in the areas of assessment, communication and training in daily living skills. The centre also offers training in carpentry, making clothing, sewing, landscaping, some manual activities plus some academic training.

CASE ILLUSTRATIONS

As is evident from the previous section, Central America's economic situation during the 1980s was characterized by a significant increase in the poverty index which was directly related to a decrease in opportunities for formal employment. Informal sources of employment have become an important alternative for families subsisting at and below poverty level. As stable incomes and government social security programs were increasingly threatened, the population in general became more and more determined to establish an informal economic structure.

In these different circumstances income generation strategies have been developed by organizations and groups of people with disabilities throughout Central America. Three main approaches may be found: (a) cooperatives, (b) loans for the support of self-employment, and (c) production and skill training centres. Brief descriptions of the most important aspects of projects studied follows for each of the three approaches.

Cooperatives

Cooperatives involving disabled people in Central America have a number of purposes. One is to promote and encourage the saving of money. A second is to generate income through productive activities. A third is to promote solidarity and democratization. A fourth is to improve the cultural level and general information of members. Six cooperatives of disabled people were examined.

1. Lottery Ticket Sales Cooperative (COOPECIVEL) — Costa Rica

A cooperative of blind people has been formed to sell lottery tickets. The objectives are: to contribute to the improvement of the standard of living for members and their families by improvement of economically productive activities; and, to integrate visually impaired people into an economically organized group. The co-op, at the time of the study, had 39 members, 34 male and 5 female. Thirty seven

were between 35 and 44 years old, with two over 45. Eighty-seven per cent were from urban areas and 13% from rural areas.

Lottery tickets have to be purchased from the Association for Social Protection. The number of tickets available to the cooperative is based on the number of its members. Because the Association for Social Protection does not increase the number of tickets available to the co-op, the number of sales that each member can make on their behalf is limited and therefore limits income.

Furthermore, the unstable economic reality of the country has increased the cost of running the co-op. In turn, this has had a detrimental effect on the group because they need more capital in order to purchase their tickets. When members of the co-op are vandalized or robbed, especially those working in sales to the public (on the street), the co-op experiences additional financial instability.

Overall, the co-op has been a positive experience for members; but it also has had significant limitations. There is little cohesion among the members of the co-op. Members seem interested only in generating income without participating in other activities that create group cohesion and build power that could put pressure on the government. The possibility of gaining social support from the group has not been looked upon as something important among members. Consequently, there is no significant feeling of solidarity or belonging and cooperation. For example, they have not been able to save part of their money nor have they pursued other projects or ideas on how to develop additional sources of employment.

2. Carpenters Cooperative (COOPEBAMIN) — Costa Rica

A cooperative for carpenters with disability was initiated in 1983 with the support of several institutions. The cooperative was comprised of 13 carpenters, predominantly with visual impairment (93%). All come from low socio-economic backgrounds. Eighty-five per cent of co-op members had no formal education; however, some had training in furniture making.

The co-op was terminated in 1988 at which time members had an average income of \$53.00 per month, with which each was supporting a nuclear family. During the years of the co-op's operation, a number of administrative problems were encountered due to lack of management training and the co-op's inability to develop a variety of income sources. There had been no long range planning or setting of objectives. As a result, all donations to the co-op were used to cover operational costs and meet the needs of co-op members. No capital purchases were made and no thought was given to opening the co-op

to people with a variety of disabilities so that members could compensate for each other's specific areas of limitation. Since there was no organization of production, and the work was diverse in type and quality, it was impossible to estimate the actual cost of the product and a high price was usually charged. No marketing studies were undertaken and no strategies for co-op maintenance were developed.

COOPEBAMIN seems to have been formed more or less in response to a group of people who, after training, needed to generate income. The warehouse which housed the co-op met no security, health, safety or hygiene regulations, nor was it appropriately built to facilitate the mobility of workers with visual impairments. For all these reasons, in combination with a lack of solidarity and organization, the co-op was finally closed in 1988.

3. Artisan Cooperative — El Salvador

A cooperative Association for the Independent Group of Integral Pro-Rehabilitation (ACOGIPRI) was established in May, 1981. Its mission was to contribute to the improvement of the socio-economic conditions of its members throughout the labour force, and to develop work and employment opportunities for them. Several strategies were developed to put pressure on various institutions and social sectors to develop employment policies to include the disabled population. As well, a specific project was developed to encourage the employment of people with disabilities. As the crafts market seemed the most likely to provide an income for co-op members at that time, a workshop was established to produce different kinds of handcrafted objects for sale. Thirty-eight people have developed their products in the workshop. Of these, 10 are permanent staff with salaried incomes and 6 work in other workshops and offices performing a variety of tasks.

Currently there are 108 members, of which 44 (39%) are active. Seventeen of these operate a ceramics workshop. These products are sold through various distribution channels.

Since the cooperative's beginning it has demonstrated improvement in both quality of work and sales. As well, there has been improvement in the social and economic position of its members. Contributing factors include the following.

- An awareness amongst disabled people of the lack of work opportunities for them, and their consequent lack of outside income has constituted the basis for the development of ACOGIPRI activities.
- There is considerable artistic talent within the group formed by the co-op. A significant amount of training, support and orientation of co-op members has taken place.

- International assistance received by ACOGIPRI has enabled it to grow while achieving its objectives.
- The cooperative strategy has enabled ACOGIPRI to take advantage of a number of benefits offered by the government to the co-op system.

There also have been some challenges. For example, the co-op has operated at a deficit despite good sales of handicrafts and ceramics. The income generated by the sales have not been sufficient to cover the cost of the production, and the workshop has depended substantially on the donations of international organizations.

There also are limitations in management. Studies of marketing strategies and production costs need to be undertaken so that future cost/profit projections and goals can be established.

ACOGIPRI supports many activities which are not directly related to income generation strategies but which aim to affect the social integration of people with disabilities. These activities incur additional costs which are not anticipated in the co-op's budget projections.

Finally, not all the members participate actively in the co-op's administrative and decision-making processes. Projects and strategies of the co-op are decided upon by only a few of its members. Greater participation by members would increase the power of the co-op, strengthen the co-op's collective consciousness, and facilitate a smoother operation of work related projects.

4. Santa Lucia Association Cooperative (ACOPASANTAL) — El Salvador

The mission of ACOPASANTAL is the social integration of people with visual impairments and improvement of their socio-economic condition. The co-op's main income generation activity at present is the construction of mattresses for the army. Its working group is comprised of 16 males and 5 females between the ages of 25 and 44, the majority of whom are visually impaired.

The development of ACOPASANTAL was directly influenced by warfare during the 1980s. Prior to then, the co-op had concentrated on production of ceramics. When the conflict rendered ceramic supplies unavailable, production was halted. The government then provided a contract to produce mattresses.

Lack of education and member training has meant that further avenues of development for the co-op have been limited. As well, it is completely dependent on one source of income: the agreement with the army. ACOPASANTAL currently is not using all of its resources or developing its ability to expand into other areas of production. More market research needs to be undertaken to identify products which the

co-op would be capable of producing and distributing through a variety of sources.

The co-op is considered mildly successful because it manages to cover its production costs and to generate a little income for distribution among its members. In the last few years, the income generated by the activity has decreased due to national economic decline.

Participation of members in other co-op activities also is limited. When training courses are organized by the co-op, member participation has been limited and unenthusiastic.

5. Saving Cooperative for People with Visual Disabilities — Santa Lucia, Guatemala

The cooperative had 1,666 members at the time of the study, all of whom had visual impairments. The main objective of the cooperative was to supply credit to its members for four purposes:

- · To enable members to sell lottery tickets,
- · To enable members to engage in commerce or other kinds of sales,
- To enable members to secure housing, and,
- For personal loans.

The most important function of the co-op has been to create a pool of savings from which members can draw loans for use, in the majority of cases to generate income generation strategies. Ninety-five per cent of the members have had access to these credit lines for a variety of activities, but the majority sell lottery tickets in the streets or in small stores which they operate on the premises of various institutions.

It is the policy of the co-op to only allow visually impaired members. The co-op was created as an arm of a national institution for general rehabilitation (a rehabilitation centre). The majority of the members of the institution continue to be involved in the co-op as well as in the rehabilitation centre.

The main source of income for the institution is the sale of lottery tickets and this is also in the area in which its members take the majority of loans from the institution. The capital needed to start such an enterprise is small and little material or equipment is needed in order to begin to make money.

6. Camilo Ortega Production Cooperative — Nicaragua

The objective of this co-op is to improve the active participation of people with disabilities in the social and economic life of the country. It started as a small self-sufficient group, and operated for 4 years as

a preco-op. From 1985 to 1987, the highest level of production was achieved in clothing and accessories, and most of the co-op's production was sold without difficulty. Beginning in 1989, due to a national economic crisis, the now highly developed and effective co-op experienced a sharp decline in sales and production. Presently the building which housed the co-op is still standing, but it has been transformed into a warehouse in order to provide housing for some of its members. The co-op currently is selling imported clothing in order to provide some income for the people who live in the plant.

Most co-op members have had the opportunity to receive administrative training from the National Organization for Small Industry. This has allowed them to develop a high level organizational development.

Loans to Support Self-employment

1. Revolving Loans in Costa Rica

This loans programme began when the Latin American Group of Professional Rehabilitation (GLARP) applied to a Dutch agency for funding. The project was approved in 1980 when GLARP received a donation of US\$150,000. The general objective of the programme is to generate opportunities for the improvement of the social and economic conditions of people with disabilities while contributing to general national social well being.

During the years 1982–1991, 82 members benefited from the revolving loans, 82% of whom were male and 18% female. Of this 82, 61% had mobility impairment, and about one-half were over 24 years of age. Most come from urban areas and the majority of their business activities are related to small shops for the repair of electric appliances (which constitutes about 22% of the total projects approved). The sale of lottery tickets accounts for about 15% of approved projects.

Limitations of the programme have been that members who applied for a loan did not receive sufficient training to allow them to develop a business. Since few had the requisite abilities or skills to enable them to build on their income, their gains have been small. Also, the size of loans had not been increased in accordance with the increased cost of living. This has further limited the development of small businesses.

2. Solidarity Funds — Honduras

A program of the Honduras Foundation of Rehabilitation and Integration for the Disabled, this program was established in June, 1991 with funds provided by the Organization of Private Development in Honduras in the form of a loan to support the creation of small industry and micro-enterprise. Later on, the program accessed further funds

from the Social and Economic Funds of Honduras and these were applied to the same objective.

This program provides loans to people with disabilities and their families as well as to non-disabled people. The objective of providing loans to non-disabled people is to enable them to provide an opportunity for work experience to disabled people. Up to the present, most of those benefitting from the program have been people with no disability (of the 40 people who have received loans — 7 are family members of people with disabilities and 3 are disabled themselves). Before funds are released to beneficiaries, training is provided in the areas of administration and budgeting in order to ensure their ability to initiate, maintain and develop their own projects.

Social, cultural and economic factors that have influenced development of the programme include the following:

- The low levels of education and experience of the people applying for the loans has meant that businesses have been marginal in success.
- Only a few disabled people are willing to risk working in an integrated environment.
- Due to the economic difficulties of the country, the typical beneficiary's objective is to start receiving income while initiating an enterprise, which is not possible. In the majority of cases beneficiaries have no security of their own when initiating a business or micro-enterprise. They therefore use up their investment loan when it should be used to build their business.
- The majority of beneficiaries do not want to go through with training in administration and budgeting because they have little understanding of how it will impact the development of their business
- The programme does not have the funds to finance anything other than small business development, so funds obtained for business development sometimes are used for other purposes.

3. Revolving Loans Developed by the Ministry of Labour in Honduras

The Ministry of Labour in Honduras provides small revolving loans from a fund of approximately US\$900, with a maximum of \$80 per recipient. The funds came from a single donor and they have not been increased since the initiation of the programme. The beneficiaries are those with little or no income, no employment and may or may not be disabled. Up to this study, the number of beneficiaries had been 22, the majority of who were people with physical impairments. Only two had a sensory disability.

The program has supported businesses such as the sale of lottery tickets, candies, cigarettes and other items. These businesses only provide for the workers most basic needs, with little possibility of increasing capital from the income generated by such sales.

Even though the initial loan amounts are low (\$80), there has been a problem with recovery of loans. In some cases legal proceedings have been initiated to recover them. The loans are neither enough to support a chosen business activity, nor to provide beneficiaries with the opportunity to increase their capital.

Training and Production Workshops

Several projects have been developed using workshops for training and production as a strategy. The majority of income generation activities of this type are supported by different associations whose common goal is to provide support to people with disabilities. Five examples from different countries are presented here.

1. ALFES — El Salvador

The general objective of ALFES is to support people with disabilities in their integration into the work force. ALFES is located in a house which serves as a residence as well as a training centre for disabled people. It is supported by the Association of People with Physical Disabilities from El Salvador. The activities administered here provide opportunity for the generation of just enough income to cover the basic needs of members and the rental of the house. The space is designed to accommodate 40 people, but presently there are only 30 occupants (28 male and 2 female). The number of people who are productive within the residence is only 10, all between 19 and 26 years of age. The majority of members have basic education and some have completed high school. All are physically disabled.

There are six people in the workshop producing and repairing pants, dresses and other clothing. The group is assisted at a technical level by the Foundation for the Development of Educational Goals.

The training and production strategies of ALFES could be successful if participants were able to access the minimum resources necessary to increase production and sales. Limitations at present include a lack of training, resources and space to accommodate a full scale business. ALFES could provide financial autonomy in terms of income generation if they were to operate in a more business-like manner. In the meantime, their activities are only enough to provide for the basic needs of the residents. There is no infrastructure to accommodate or facilitate growth.

2. Display Gallery in Naranjo

- Province of Alajuela, Costa Rica

This project was developed in association with an artisan's gallery in Naranjo. The purpose is to display articles produced by people with disabilities who live in rural areas far removed from the urban area of Naranjo. The group running the gallery is comprised of 8 people (5 men and 3 women) between the ages of 25 and 44. All are from rural areas. Six have physical impairments, 1 is intellectually impaired and 1 has mental health problems.

The project has developed quickly and presently has the ability to become a micro-enterprise. Its unexpected growth has necessitated the offering of training to the participants in areas of organization, administration and staff development. This strategy has enabled individuals who work independently to solve marketing limitations.

3. Christian Fraternity Metal Structure Workshop — Honduras

The workshop is located in Nacaome, 100 kilometres from Tegucigalpa, in the southwest. This region has one of the country's highest levels of poverty, malnutrition, infant mortality and illiteracy. The shop is one of several that the Christian Fraternity has placed strategically across the country. Its objective is to facilitate the training and support of people with disabilities and to work towards their social integration. Four people work in this shop, each with a different disability. Their ages range from 14 to 30 years.

The shop is located in a house which is also the residence of the disabled manager of the project. The shop's safety and hygiene conditions are poor and its location does not lend itself to the effective distribution of equipment and material. The community is extremely poor, and does not have the basic resources necessary to run it. This situation limits further income generation opportunities. This shop produces no budget reports, production records, or any other administrative data which would allow analysis.

4. Rug Making Shop

— Tacana de San Marcos. Guatemala

The rug-making shop is located in Tacana, a municipality of San Marcos, which is a less developed area than the rest of the country. The population of this area is mainly native and the poverty is extreme. The shop workers are 10 people with physical limitations, all of them male.

The project has only been in operation a short time which makes it difficult to analyze its impact and results. It is important to note that a group of people with disabilities mobilized the community in order to establish this project and, despite many obstacles, they have been successful. One of the critical factors to their success was the support of the municipality's mayor. Though the geographic, economic and social conditions of the community are difficult, they have not constituted insurmountable obstacles to the project's inception. These same conditions engendered the independence and determination of the people whose idea it was to attempt such an undertaking.

5. Educational Toys and Games in Wood (SOLIDEZ) — Nicaragua

SOLIDEZ is a non-governmental organization whose mission is to encourage the social integration of people who were disabled as a result of warfare in Nicaragua. The organization has two main objectives — to promote accessibility for people with disabilities and to create income generation alternatives so as to bypass the problems of unemployment.

The project grew from a government need to supply educational materials and toys for pre-school and school-age children in 25 centres for infant development throughout the country. The centres were created by the government in the 1980s. The shop is located in one of the poorest areas of Sandino where there is a high level of unemployment. There are 12 participants between 18 and 35 years of age, 9 males and 3 females. The organization received international support for the construction of the shop. One of its primary objective was to create a productive cooperative which could eventually be self-sustaining. As of today the co-op has not been developed, but the levels of production and group solidarity are high. A viability study completed before the project's inception supports the premise that the shop may well continue to be successful.

GENERAL CONCLUSIONS

Income generation strategies developed in Central America do not vary substantially. In general, the strategies pursued are related to the national context, and the level of development reached by organizations that support people with disabilities. A number of conclusions may be drawn in this respect.

First, during the decade of the 1980s, Central America was characterized by political and social changes, and by warfare throughout the region. In addition compromises were reached between governments and the international organizations that provided financing for different projects. These factors promoted extreme poverty among disabled

people and increased disparities between all socio-economic sectors in Gentral America.

Second, even though there are differences within and between nations in the kinds of approaches to labour, training and employment for different groups of disabled people, common elements can be identified in a discussion of income generating strategies. Common issues include:

- Institutions and rehabilitation centres in the region do not respond
 to the needs of a significant number of people with disabilities.
 Resources are basically confined to the capital and principal cities
 within each country.
- There is little inter-sectoral or inter-institutional coordination, which limits development of training and employment programmes.
- Rehabilitative institutions and professional rehabilitation centres
 which exist have tended to concentrate training on traditional occupations and they lack, in general, a capacity to conduct market
 studies for the purpose of developing work appropriate to the
 market within each country.
- The predominant model during the 1980s has been on separate centres and institutions for the training of people with disabilities, rather than using generic resources available for the rest of the population.
- The level of development of disabled peoples' organizations is extremely varied between countries. Some have demonstrated high levels of organizational skill leading to good participation and development of income generation strategies providing as adequate income. But in most countries, there is a lack of integration and isolation of people with disabilities which has limited their degree of participation in society.

Third, the income generation strategies most used in Central America have been: co-operatives, access to funding/financial assistance, and, training centre approaches. A series of conclusions regarding each strategy follows.

The cooperatives studied in this region have the following characteristics:

- (a) In a great percentage of cases studied co-op members do not demonstrate real interest in and a disposition for the cooperative system. In general, the main purpose for membership is income generation. In some cases, there is a lack of cohesion and solidarity among members.
- (b) In practically all cases studied the majority of members do not participate actively in the direction and promotion of the co-op.

- (c) Few co-ops which promote income generation activities are self-sufficient. The majority depend on external resources or financial assistance and, in most cases, such financial assistance is applied to operational expenses, which does not allow the co-op to build for future development.
- (d) A lack of thorough planning and market research was characteristic of a number of co-ops prior to being established. This limited their success in income generation.
- (e) In the majority of cases, lack of administrative training has not allowed the co-op to develop as a viable enterprise. Individuals in charge of the co-ops did not have the skills and abilities to manage and organize an enterprise.
- (f) In the majority of cases studied, the co-ops had limited their memberships to people with disabilities and had not integrated people without disabilities into their membership.

Loans to support small business enterprises were found in the form of revolving loan schemes throughout Costa Rica, and the solidarity program in Honduras. Even though each modality is different, the following elements appear to be common to both.

- (a) Due to financial limitations, the size of loans was not high enough to provide the level of technology and productivity necessary to significantly affect the economic and social conditions of disabled people. This difficulty was compounded by the lack of training in business management and evaluation.
- (b) In most Central American countries there are organizations providing revolving loans of larger sums of money. These rarely were approached by disabled people. In some cases they require a warranty or collateral which is difficult for disabled people to obtain. The function of the organizations working with disabled people should be to provide such warranty's for them to access larger loans, and, thereby, develop more viable enterprises.
- (c) The low levels of formal education and technical knowledge of disabled people have also constituted a limitation to the initiatives becoming self-sustaining.

The final strategy, training and production workshops, were found for a broad range of groups and activities. In a good number of these, the following was observed.

- (a) Groups established under this modality in most cases do not have the necessary infrastructure to operate at production levels that would allow their members to generate enough income to become self-sufficient.
- (b) In some cases, the demands of production did not coincide either with educational level or the level of specific training reached by the majority of participants.
- (c) The majority of centres did not have sufficient administrative capability for them to plan production in relation to available markets, to control costs or manage personnel effectively. Most only worked in response to local community demand.

CHAPTER 9 South America

- Alejandro Rojo Vivot and Irene Estay¹

INTRODUCTION

South America, the southern continent of the Western Hemisphere, is the fourth largest of the continents having an approximate area of 6.9 million square miles or about 12% of the land surface of Earth. It ranks fifth in population, with an estimated 200,000,000 people at the start of the present decade.

Politically the continent and its adjacent islands are divided into 11 sovereign republics and three dependencies. The republics are: Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Guyana, Paraguay, Peru, Uruguay and Venezuela. The dependencies are the Falkland Islands, French Guyana, and Surinam.

The geographic structure of South America is relatively simple. The west is dominated by the Andean mountain ranges which run roughly north to south for about 4,500 miles; the gigantic backbone they create divides the continent into two parts differing greatly in both size and character. This unequal division has had profound effects on climate, wildlife, and even human settlement. The centre and the east consist of a series of plateaus and extensive depressions filled with alluvia.

No other continent crosses as many latitudes or penetrates so far to the south. Though its northern part is crossed by the equator and 80% of its landmass is located within the tropical zone, South America also extends into the sub-antarctic. Because of the high altitudes and

¹ Alejandro Rojo Vivot organized and conducted all the research in South America, and prepared a draft chapter in Spanish. Irene Estay contributed by transforming the Spanish draft into this English language account.

wide extent of the Andes within the tropics, extensive zones of temperature or cold climate exist in the vicinity of the equator — a circumstance that is unique. These conditions contribute to a great range of climates and diversity in economy of the individual countries.

For the purpose of this study four countries were sampled: Columbia, Brazil, Peru and Bolivia. Work opportunities in these countries are typical of countries with high rates of unemployment and very significant levels of under-employment.

For many the informal economy is a generalized avenue for work which provides only for basic subsistence. In some regions these kinds of activities reach up to 50% of the economic activity during some periods of the year. Economic deregulation, a significant reduction of government funded activity and high rate of inflation have aggravated the situation and contributed to growth of the informal economy for the total population, more unemployment for disabled people and deterioration of social services for individuals in need. For disabled people the situation is a critical one since generally there are few government policies or strategies to support or develop income generation.

Background information compiled for the present study relies on statistical information provided by organizations or independent groups working with disabled people since none of the countries sampled maintained up-to-date statistical records on topics such as number of persons with disabilities, employment, types of disabilities or ages.

In total approximately 100 income generation initiatives were identified and examined. Most of these were generated by individual efforts and resources rather than the consequence of intentional government or non-governmental strategy.

Initial contact and information of disabled people was secured through Disabled Peoples' International (DPI) member organizations and/or non-governmental organizations for specific disabilities (e.g., associations for persons with visual disabilities, persons with physical disabilities/motor disabilities etc.). In the majority of the cases, income generation projects were identified by word of mouth and most of the projects identified failed to have the necessary documentation for future follow-up or evaluative studies.

Since most of the individuals interviewed relied mainly on memory for the information provided, it was difficult to pinpoint what were the main difficulties for the initiation of the projects or the positive aspects in the processes.

The specific examples of income generation strategies presented in this chapter are a fair representation of the socio-economic and political realities of the countries studied.

BOLIVIA

The Bolivian Republic has a geographic area of 1.1 million square kilometres comprised of mountains, valleys and plains. Its climate is completely Mediterranean. In the last census Bolivia reported a population of 5.8 million citizens, 44% from urban areas. Important cities in Bolivia are: La Paz, Santa Cruz, Cochabamba, Oruro, Potosi and Tarija.

Life expectancy is approximately 47 years for males and 51 years for females. The rate of illiteracy is 32% and a good percentage of the population is bilingual (spanish and indian dialect).

The economic base in Bolivia is mainly agricultural with approximately 50% of the population active in this area. Another 15% are involved in mining, 10% in industry and 25% in service industries. It is important to highlight that the cultivated area of the country is only 3% of the total land area.

Financial Support Strategies

There is no statistical data compiled specifically for disabled people. Some of the strategies are based on different types of loan schemes provided for the general population.

The Bolivian government has no systematic strategy or service specifically geared to assist disabled people with employment. They are left to rely on the assistance available to the general population, to find informal systems for their economic development or to rely on the mercy of non-governmental organizations in finding employment or ways of subsistence.

Several income generation initiatives were identified in the country from which some disabled people benefited, these were geared to the total population and not necessarily to disabled people. All initiatives were based on loan schemes such as: (a) loans from Social Emergency Funds, (b) loans from the Catholic Church, (c) loans from foreign countries, and (d) sequential loans. Some of the projects researched relied on a combination of the above and others were supported by one strategy.

1. Loans from Social Emergency Funds

After a long and sustained economic crisis in the country, Bolivia's president signed a bylaw (#21.456) in November, 1986 which created the Social Emergency Fund. The objective of this Fund was to assist citizens to generate projects to provide work in Bolivia. Eligibility for the Fund was determined by types of work proposed, and possibility

of initiation in a short term. Projects are supported for no longer than three years.

Since disabled people were unemployed at that time, some of the projects allowed them to be involved in income generation activities initiated with these Funds.

2. Loans from the Catholic Church

The Catholic Church has played an important role in assisting disabled people with financial aid. Catholic organizations also have assisted in linking disabled people with foreign non-governmental organizations who provide assistance in the initiation of the projects. For example, in one project, the Christian Fraternity of Persons with Disabilities produced a document in 1986 which contained a detailed feasibility study of the social and economic conditions of disabled people in Bolivia. This report generated a specific project to manufacture clothing articles with alpaca (wool from llamas) and synthetic wool. The project attracted foreign funding which assisted the initiation of the project (see case illustration ANCA.SRL).

3. Loans from Foreign Countries

Some international organizations and individuals that have provided financial assistance for specific projects in Bolivia include: (a) Emaus International (Paris, France); (b) Michell Hamm (Switzerland Foundation); and, (c) Bastenathi (Holland).

4. Sequential Loans

The Bank of Solidarity in Bolivia is a financial and commercial entity authorized by the Central Bank to operate in equal conditions as other banks in the country. The difference between the Bank of Solidarity and other banks is that their agents are consultants in social development. Their main role is to evaluate 'solidarity groups' that present projects to create income generation opportunities. Solidarity groups are small groups of poor persons who collectively apply for loans to start or improve income generation activities that will benefit them all. The bank's consultants assist these groups in the completion of applications and assist in their approval process.

Loans provided involve small amounts of money. The Bank of Solidarity does not follow the same credit rules of other banks in that the loans have low interest rates. Loan repayment guarantees are given to the bank by the solidarity group, rather than from the collateral of an individual. All members of the group are responsible for repayment of the entire loan.

Case Illustrations

1. Knitting and Weaving Factory (ANCA.SRL)

ANCA.SRL is a weaving shop that specializes in the production of clothing articles (mainly coats and sweaters) made from alpaca and synthetic wool. It involves eight persons: five males and three females; three with motor impairments and five who are visually impaired. Two members of the group have university education, three have completed high school, two did not complete high school and one has only elementary school.

The project is unique when compared to other projects in Bolivia since it involved an initial feasibility study regarding materials and quality of workmanship required, cost of startup and production and potential markets.

All participants were unemployed at the initiation of the project. The main motive was to generate income for the group. Participants received training in knitting, weaving, sewing, accident prevention and human relations. At present the project is self sufficient in that the individuals involved generate their own income. Additional funding would be required only for future expansion.

The principal reason for success of the project, as perceived by the participants, was the financial assistance initially received. Initial capital was obtained from the following organizations:

Project Funder	Concept	Capital	Date
Emaus Internacional (Paris, France)	Machinery	US\$25,000	1987
Emergency Social Fund (La Paz, Bolivia)	Capital Funding for Labour/Training	US\$18,000	1988
Michell Hamm (Switzerland)	Warehouse Purchases 265 m ²	US\$45,000	1989
Bastenathi (Holland)	Capital Funding	US\$18,000	1989

The success of the project is reflected by the economic impact on group members. Their income has improved substantially over time, as has their perceived acceptance in the community. Members interviewed talked about the prestige they now have in their community and their improvement in the areas of design and marketing of new articles.

Participants attribute their success to three specific factors: (a) the hard work of the individuals involved, (b) international financial assistance and (c) the relationship with the Catholic church, which facilitated the foreign contacts (all of them Catholic in origin except the Emergency Social Fund).

At present, members of the project are attempting to improve their working conditions as well as increase sales by bringing in more workers to help with production. One goal is to develop foreign markets for their products. At the time of the interviews, ANCA.SRL was in discussion

with the Small Industry Federation of Bolivia about ways of improving their activities in production and commercialization.

2. Orthotics and Prosthetics Factory

In 1985, sixteen individuals with disabilities began a small factory to produce orthotics and prosthetics. Two of them had auditory impairments and 14 had physical impairments (14 males, 2 females). Their educational background varied from high school completed (n=5); incomplete (n=6), to elementary completed (n=3) and incomplete (n=2).

The project is located in the city of La Paz. The main impetus for this project came from the Catholic Church. The initial cost of equipment, rent, startup capital and the maintenance cost of the factory for a period of six months was provided by church related organizations such as: Manos Unidas (Joining Hands — Spain), Caritas — Switzerland and Services for Social and Technical Assistance — Germany.

Presently the organization is about 90% self sufficient from production revenues. Approximately 10% of the expenses are subsidized by Faith and Happiness, a Catholic organization. This subsidy allows the company to produce the orthotic and prosthetic equipment at a low cost and sell products at a very competitive rate. If the factory were to sell products at market value the organization would easily cover all the expenses plus have a substantial profit.

Before the project was initiated, the majority of the workers were unemployed. A few had a minimum amount of income, not enough to cover their basic needs. The main motivation for participants was to generate enough income to become independent and self-sufficient. Presently the business is looking towards expanding their revenues by adding a section on leather smithing to produce orthopaedic shoes and body suits.

The strong initial financial support to acquire appropriate equipment is recognized as the main factor of success. Also, the quality of products and cost which maintains sales at a competitive rate have been important.

Some of the problems that the group has had to overcome include a lack of good business organization skills and lack of knowledge in cooperativism which has delayed their abilities to expand over the past few years. At present they are in the process of becoming a cooperative to improve the organization and management of the company.

3. Street Sale of Telephone Tokens

The government of Bolivia granted a monopoly for the sale of telephone tokens for public telephones to the National Federation for the Blind in Bolivia (FENENCIEBO) in La Paz. All participants in the project are members of the Federation and are totally blind. These include: one female with incomplete elementary schooling and five males, two with elementary education completed and three with high school completed.

A monopoly was granted to the organization by law (Resolution #612/90). The government resolution does not have a time limit. As it stands today, it was granted forever or as long as the government is willing to maintain such commitment.

The initial investment required by an individual is a minimum of US\$10.00 to purchase telephone tokens. Participants who are unable to afford startup costs may obtain a loan from the Solidarity Bank with the Federation serving as guarantor.

There is no requirement for a feasibility study, with every member of FENENCIEBO free to select an area within the city to sell their tokens. Disagreements among members of the Federation are solved independently.

The economic impact of the project on participants varies considerably. Variables accounting for the success or failure of this particular approach include:

- location of the public telephones,
- attitude of the salesmen (e.g. passive vs. active),
- additional services added to their sales outlet (e.g., making available magazines and candy),
- · cleanliness and appearance of the sales area.

All individuals involved in this project agreed that they would have benefited from some training in human relations and small business development. When the initial monopoly was established for the sale of tokens, the Bolivian Government Telephone Company (BGTC) provided some courses in human relations, but that was only at the initial stage of the project. Presently, no support is available other than sequential loans.

Conclusion

Bolivia seems to have a combination of loan strategies that have benefited a limited number of disabled people even though the strategies were not geared initially to assist them. Catholic church organizations in particular have made a great impact in providing opportunities for persons with disabilities.

BRAZIL

Brazil is one of the largest countries in the world with an area of 8.5 million square kilometres. It has an extensive seashore border and

a tropical climate for the most part. Only in the south are winters considered quite cold as compared to the climate elsewhere in the country. The population of Brazil is 158 million people. Important cities include: Sao Paulo, Rio de Janeiro, Belo Horizonte, Salvador, Fortaleza, Brasilia, Nova, Iguazu, Recife, Curitiba, Porto Alegre and Belem.

The population is 70.8% urban. Life expectancy is 58 years for men and 61 years for women. The rate of illiteracy in the country is approximately 25%. No statistical information is available on disabled people and specific services available to them.

The income per capita is US\$2,214 with the main economy based on export of coffee and soya. Brazil imports gas, fertilizers and machinery. The country has had a high rate of inflation and, in comparison to other countries, has one of the highest external debts in the Latin American region.

The majority of the income generation strategies for persons with disabilities come from individuals' efforts. The loan schemes common to Bolivia are not popular in Brazil. In Brazil there is only one project that reflects a strategy and involves a large number of individuals. The structure of this project provides employment opportunities to a number of disabled people. The project is a cooperative formed by a group of persons with disabilities.

Case Illustrations

1. Father Vicente de Paulo Cooperative

This project provides information services, computer processing, microfilming and preparation of documents for different organizations. It was initiated by a group of persons with auditory disabilities. All workers are members of the Vicente de Paulo Cooperative with their commercial relationship regulated by the National Law for Cooperatives #5.764 promulgated on December, 1971.

Seventy-five individuals with hearing impairment comprise the co-op -30 females and 45 males. The formal education of the group ranges from elementary school incomplete (n=8); complete (n=30); high school incomplete (n=15); complete (n=20) to University complete (n=2).

As with most projects researched in this study, this one was not a product of a well developed plan, but a result of training in cooperatives received by different organizations for persons with hearing impairments in 1984. After initial training, 32 individuals from several hearing impairment associations developed a cooperative. Co-op members deposited an initial fund to create an economic base for its operation (as of today there is no recollection of specific amounts collected). The feasibility study and marketing was more or less intuitive and relied heavily on some personal references in relation to the lack of services

in the areas of word processing and information distribution among the regions.

Participants agreed to receive technical training in the areas of word processing, use of computers and other technical equipment as well as in human relations and work habits. Every member was required to pay an additional entry fee of US\$75.00 (presently, the initial fee is US\$300.00). If a member leaves the co-op, the person receives the initial fee back. The financial benefit to members comes from profit sharing and salaries.

In 1989 the cooperative contracted with consultants to obtain training in project development, legal aspects of the organization and evaluation. All fees were absorbed by the co-op. Presently the organization is self-sufficient and provides ongoing professional training for its members as well as financial and technical support for several organizations for hearing impaired persons in the country.

The most significant impact of the project is the economic one—not only as a source of income for members, but also for the financial assistance that it provides to several organizations of persons with auditory impairment. The most difficult challenge to overcome by the project was the lack of education of some of the members which impacted their competitiveness and the creation of a working team.

2. Other Projects

Other projects researched in Brazil reflect individual effort to create income generating strategies. The characteristics of these projects is that they were not planned or supported by any organization. They responded only to the economic needs of the individual persons with disabilities that initiated them.

COLOMBIA

Colombia is a tropical country in the northern hemisphere with an area of 1.1 million square kilometres. It is bordered to the north by the Caribbean Ocean, to the east by Venezuela and Brazil, to the south by Peru and Ecuador and to the west by the Pacific Ocean. Panama lies to the northeast of Colombia. The Andes mountains cross Colombia from north to south.

Colombia accommodates a variety of climates and several rainy seasons throughout the year. Coffee is its main production crop while mineral resources include emeralds (comprising approximately 95% of the world's production), gold, silver platinum, copper, uranium and carbon.

Colombia's total population of 31 million is 67% urban according to a 1988 census. Bogota, the country's capital, has a total of 4.3 million of inhabitants with the three next largest cities being Medellin, Cali and Barranquilla. Life expectancy for males and females is 67 years of age and the illiteracy rate in the country is 17%. There is no data to describe the disabled population.

In 1988 the per capita income for the country was US\$1,180. Columbia's wealth, however is concentrated in the hands of a very small segment of the population, rendering this figure useless as an assessment of the income level of most of the country's citizens. In relation to formal or informal participation of disabled people in Colombia's economy, there is no data available. Work is generally not available for disabled people and the majority of disabled people interviewed agreed that income generation strategies through participation in Colombia's traditional work force is not significant. Most strategies identified in the projects sampled for this study were not geared to persons with disabilities. They were programs available for the general population and, since disabled people tend to be part of the unemployed population, they could have access to such programs as assisted individuals in income generation.

Financial Support Strategies

The use of revolving loans has been one of the most traditional strategies used in the country to assist individuals that want to become independent as workers. In April of 1992, the Centre for Rehabilitation for Adults with Visual Impairment (CRAC) began offering revolving loans for income generation strategies by individuals with visual impairments.

The organization specifies several characteristics that a member must have prior to being approved for a loan. The individual: (a) had completed a rehabilitation process with CRAC; (b) possesses the training and experience in the area selected as a project; (c) has received, or is in the process of receiving, training in basic aspects of administration and cooperativism; (d) presents a proposal which demonstrates its feasibility and the markets available for the proposed income generation strategy; (e) proposes an accounting system that is appropriate for the project; and, (f) agrees to be monitored by CRAC.

The main objective of this strategy is to create revolving loans to assist visually impaired persons with projects to generate their own income. Individuals may develop family enterprises, preco-op groups, small companies or self-employment activities.

Interested individuals were trained in aspects listed as basic requirements in order. Applying for the loan did not require additional

funding, only the need to specify the terms under which the loan would be repaid.

Case Illustrations

1. Product Packing Cooperative (COOTRASIN)

This project was initiated in 1984 by visually impaired individuals with an initial capital generated by the co-op members of US\$1,000. The main objective of the project was to create an income generation strategy for a group of unemployed visually impaired individuals. The project involves buying groceries in bulk and packing them for resale by weight.

At present, there are 34 visually impaired individuals involved in the project — 12 males and 22 females. Their education ranges from uncompleted elementary education (n=7); elementary school completed (n=10); high school completed (n=3); college incomplete (n=2) and university completed (n=2).

Individuals involved in the project were supported mainly by CRAC in the training required for the business and with some low interest loans. The Ministry of Labour provided the initial contracts. Presently, the project is self sufficient. The co-op has loans of US\$4,000 which are being repaid without major difficulty.

The main impact of the project is the economic independence attained by members of the co-op. In addition, some members are going back to school to continue formal education.

One of the problems identified by workers has been the lack of a strong financial base to buy large quantities of bulk products to lower their cost. They are presently limited to buying bulk products by reinvesting earnings received from sales.

At the time of the interview, the organization was in the process of getting a loan from Funds of Cooperation for Latin America (formerly ULAC) for a total of US\$10,000 which would allow them to repay their previous revolving loan and also to increase their purchasing power.

2. Lottery Ticket Sales

The Colombian Union of Persons with Visual Disabilities (UCLV) has arranged for their members to sell lottery tickets as a means of generating personal income. The project involves selling lottery tickets in the streets of Bogota as well as in downtown office buildings. The UCLV is responsible for getting the tickets to all individuals involved in the project and every person is responsible to sell their tickets independently. No business plan is required.

A total of nine visually impaired males are involved with a range of education from incomplete elementary school (n=2), elementary school

completed (n=1), high school completed (n=4) and university completed (n=2).

The UCLV provides a warranty for the tickets with the lottery organization. The only requirement for those selling the tickets is that they have to be members of the organization. They do not require any initial capital to participate. All persons involved in the project are salesmen except for the president of the organization who administers the ticket distribution and does the financial accounting of sales.

Individuals involved can generate enough money to cover the basic needs for their family, and sometimes they make more money than the minimum salary stipulated by the government.

3. Blue Areas

This project is a creative and unique alternative in income generation activities developed for persons with disabilities. The project involves selling parking permits for downtown areas in the city of Bogota. These parking areas, designated as Blue Areas by the city, provide the only available, regulated parking.

Twenty-five individuals are authorized to sell the tickets (6 females and 19 males), all with motor disabilities. Their education ranges from elementary school completed (n=5); high school incomplete (n=11), high school completed (n=5) and university incomplete (n=4).

The project was developed through a cooperative system in agreement with Bogota. The city signed an agreement with the cooperative to protect the right of sale of the parking permits to members of the co-op. The activity allows the members to generate enough income to cover their basic needs. This activity has impacted the co-op members in a positive manner. Unfortunately it is not a project that can be expanded in the same city since the spaces are limited. If more people work on this project, the income for all co-op members diminishes.

Conclusion

Most of the projects identified in Colombia are characterized as a component of the informal economy with most financial support from non-government agencies. Support from the government comes mainly through loans available for the general population and agreements with specifics levels of governments in the country (e.g., Blue Areas) and/or the creation of cooperative groups by disabled people. It appears that the government lacks plans or programs to support income generation strategies for disabled people. Personal interest plus group initiative seems to be the most popular mode of developing projects for these individuals.

PERU

Peru has an area of 1.3 million square kilometres with an ocean border and is divided from north to south by the Andes. Its climate varies through the regions due to the long extension of the areas. Some distinctive areas in Peru are Altiplano. Amazon. coast and mountains.

The total population of Peru is approximately 7.1 million with 69% in rural areas and an illiteracy rate of 20%. Life expectancy for females is 60 years and for males is 58 years. No statistical data is available for persons with disabilities.

Some important cities include Lima. Arequipa. Trujillo. Chimbote. Chiclayo. Cuzco and Piura.

The annual per capita income is US\$1.515. Peru is the 6th major country in the world in the fishery industry and produces potatoes, rice and corn. It also has an important mining component, exporting silver and metals. The country is recovering from a long period of inflation and high interest rates.

Most of the income generation strategies for disabled people are funded and supported by non-governmental agencies. The government is not involved directly with services and strategies of employment of disabled people. The majority of the initiatives found in Peru are based on loan schemes involving various international bodies. Only a few illustrations will be presented to highlight the types of organizations involved.

Financial Support Strategies

Peru has provided loans for micro enterprises as a strategy of income generation over the last decade — not only by the government. but also by non-governmental organizations. The Catholic Church has played an important role in supporting economic development. In July of 1991 all organizations identified formed a committee of 28 Peruvian and foreign professionals. They prepared a proposal and feasibility study for these strategies. The initial funds amounted to US\$600.000. These funds were distributed in the following manner: (a) loans for projects. (b) salaries and honoraria, and (c) travelling expenses.

Several factors were identified as key points in the execution of their planning:

- approximately 1.5 million persons in the country were involved in micro enterprises.
- in a time of recession and high levels of unemployment. micro enterprises were a viable option for the country.
- · low investments imply low risks.
- development of non-governmental organizations to support small projects.

Even though this strategy was designed mainly to reduce the unemployment of youth, others who applied for small business loans were not rejected, such as persons with disabilities.

At the time of this research, a total of six persons with motor disabilities had applied for loans — four male and two female. One was under 25 years of age, two under 34 and three were under 44 years of age. Three have elementary education and three have a secondary education.

The loans assigned to the individuals are complemented by a series of additional strategies — training, information, technical assistance and marketing. Assessment of the applications basically involves a diagnosis of the micro enterprise proposed and of the people applying for the loan. Consequently, projects initiated with these loans are monitored and supported for a length of time to ensure repayment by the borrower.

At the time of this research the organizations making loans did not have criteria for measuring success or failure. They only assessed the ability of the person to repay the loan and the continuing ability of the strategy to generate income.

One of the main reasons for this strategy was the lack of working opportunities for a large sector of the population which increased poverty and violence in the poorer sectors of the cities. Major difficulties to overcome with these loan schemes included:

- the salary mentality for the individuals applying for the loans,
- the difficulty in finding individuals capable of developing micro enterprises,
- lack of professional assistance.
- · lack of knowledge about persons with disabilities, and,
- lack of strategies for developing independent projects.

In the future this strategy will be managed and operated by a national, professional resource. External support will be slowly removed as everybody becomes more experienced in assessing and monitoring the projects.

This strategy had been in operation for less than one year at the time of this examination. It is assumed that the main impact will be an economic one for the individuals involved. As well, self-confidence is likely to improve as they become part of the economically productive sector of society. This strategy can be expanded to different cities and additional projects could be initiated. Some projects already initiated include a carpentry shop to make furniture and educational toys; a jewellery shop to repair watches and create costume jewellery.

Case Illustrations

1. Revolving Loans from the Rehabilitation Centre for the Blind (CERCIL)

CERCIL was approached by the Latin American Group of Professional Rehabilitation (GLARP) to undertake an initiative of providing loans to members. The objective was to develop income generation initiatives for individuals with visual impairments. CERCIL had an initial funding of US\$3,000 from GLARP.

The project was initiated in 1985 for individuals who had completed a rehabilitation process with GLARP and were still unemployed. All individuals applying for the loans had attended training sessions in several working areas. Of thirty-five individuals who had completed rehabilitation, twenty five applied to CERCIL for a revolving loan—a high percentage showing an interest in the possibility of initiating a small business.

The loan was on a one time basis, the idea being that once repayment was started, the money could be utilized by another group to initiate other enterprises. However, due to the high rate of inflation in the country when repayments were made, the money had already lost its monetary value.

The political and economic situation of the country contributed to the failure of the revolving loans as a continuous project. The main impact of the project was an economic one—visually impaired individuals were able to initiate income generation initiatives. A secondary impact was the participants' feeling of contributing to society at a time of high unemployment.

Several projects initiated from this loan are still in operation. These include:

- 1. A corner store. A 46 year old visually impaired woman has a small store where she sells cosmetics and clothing articles; and,
- A knitting store. Knitting with sheep's wool and making cloth was developed by two visually impaired women (34 and 37 years old) and the articles are sold to tourists. It is a profitable and selfsufficient business at present.

CONCLUSION

From all the countries sampled from Latin American, Peru appears to have the most organized approach to assisting individuals with disabilities. All the strategies sampled are mainly from non-governmental organizations and especially from organizations related with the disability they provide assistance (for example, organizations for persons with visual disabilities, organizations for persons with physical disabilities).

Revolving loans appear to be a viable strategy in countries where the economy is likely to be stable. High rates of inflation and fluctuations in the economy make it impossible to get loans at a low interest and utilize repayments for new loans. Revolving loans were unsuccessful due to the economic conditions in Peru at the time this strategy was implemented.

In the last decade the high rates of inflation and the instability of the economy in Latin American countries researched have contributed to an increase in the informal economy by the total population, unemployment for disabled people and deterioration of social services for individuals in need. Due to these factors there has been an increase in small business within the informal economy by disabled people since the governments have not responded to their needs.

In the majority of cases examined in this research, proper documentation or records were not kept to allow follow up or in depth analysis. Projects were identified by word of mouth or by contacting organizations for specific disabilities. As most of the individuals interviewed relied on memory, it was difficult to pinpoint the main difficulties for the initiation of projects or the positive aspects in the processes.

About 100 projects were researched, of which 61% were initiated by individuals, and 39% were initiated by groups, either by disability groups or by lobby groups. Only 35% of the projects were located in specific industrial or commercial locations while 65% were run without location (e.g., street sales or out of homes).

In relation to skills and abilities to operate a small business, only 27% of the projects sampled were initiated within the vocational expertise of the individuals running the projects. The rest (73%) were initiated as an activity that was considered as not requiring specific skills and abilities (e.g., working with leather, knitting, crafts, factories for prostheses etc). Most of the projects initiated by individuals were closely related to the informal economy. In some cases they were directly related to activities around the participants' disabilities (for example, providing orthopedic devices, repairing wheelchairs or providing aids for daily living).

Catholic church related organizations, in all the countries sampled, have played an important role in providing opportunities for disabled people to develop income generation initiatives. Other non-governmental organizations which have assisted disabled people in the countries visited, are the organizations that advocate for individuals with specific disabilities such as associations for disabled people, rehabilitation centres and cooperatives.

The main impact in most of the projects has been an economic one — the opportunity to generate income and to become part of the work force within their community. None of the projects have been evaluated in relation to the social and emotional impact for participants; however, several of the individuals interviewed stressed the social impact of the projects such as: (a) feelings of accomplishment as contributors to society, (b) increased self-esteem, (c) increased number of relationships, and, (d) increased socially acceptable behaviours (e.g., working) and decreased socially unacceptable behaviours (e.g., begging in the streets).

In relationship to funding sources for the projects, it is important to highlight that the majority of the assistance has come from international organizations located in Europe (83%), through contacts with Catholic organizations. The rest of the projects were funded through subsidies or loans available for the general population in the countries sampled. These loans were not necessarily geared to assist disabled people. They benefited from the high rate of unemployment in this category of the population.

The most common strategies found through the countries were: revolving loans and other types of loans with low interest for repayments, the individuals' own assets or family loans with no interest involved, cooperatives; and, subsidies.

It is important to note that most of the loans at low interest rates could be considered subsidies, since the devaluation of the funds in conjunction with the high rate of inflation did not allow the revenues to go around more than once.

In the case of the cooperatives, it is important to highlight that in the majority of cases the main customers for services offered were government organizations. Governments also have established monopolies by law to protect the business of persons with specific disabilities.

Training and education does not appear to be popular as an option to initiate income generation even though in several projects training and education was rated high as a factor to their success. Training also was mentioned as a primary need and sometimes as the main factor for the failure of some projects.

One striking observation relates to how receivers of loans felt about their success. The main strategy used in all countries was to provide funding or subsidies at the initial stages of projects. This initial funding made the difference for the individuals to become fully or partially employed. However, the majority of persons interviewed attributed their success to their own personal efforts and not to the initial capital received even when they wouldn't have been able to initiate the project without the initial loan.

Another important observation is that none of the projects seem to have impacted the perception of disabled people among the general population. Only in exceptional circumstances did there seem to be a change of perception by people immediately surrounding disabled individuals. Also, the majority of projects sampled did not have a cumulative effect such as increasing opportunities for other persons in the same geographic area, or expanding opportunities to other areas. Most projects impacted a limited, usually small, number of people and stopped there.

In relationship to the impact that international disability organizations may have had in the development of the strategies, it is important to note that DPI was not known by the organizations that provided financial assistance for the different projects, nor did DPI have a role in any of the projects researched in Latin America. On the contrary, the organizations that advocate for disabled people are specific to the disability such as organizations for visually impaired persons, or hearing impaired or physically impaired individuals.

In general, the countries researched lacked policies and procedures designed to secure opportunities for persons with disabilities. They also have not shown interest in working with organizations that serve as an umbrella for groups of people with specific disabilities. In only a few cases did governments protect work opportunities for disabled people, such as through monopolies. In this context individuals who succeeded in their enterprises seemed to take a "business-like approach" to their projects, regardless of their disabilities. They also seemed to have a clear vision of their goal and end results.

In the future it will be important to concentrate on projects where training and development are built in as main goals. It also is essential to support projects which are likely to multiply their effects on other areas or other populations.

PART III

Experiences in Development of Self-directed Employment: High-income Countries

CHAPTER 10 Australia

Michelle Watters and Trevor R. Parmenter

INTRODUCTION

For Australians with a disability the need to be gainfully employed is one of the greatest goals. For some however, it is little more than a dream. Australia has made great strides in the development of services for people with disabilities. The Richmond Report (1981) was a catalyst for change in Australian society. There was a significant move toward the deinstitutionalisation of those people who had been cocooned for the greater part of their lives. The 1980s heralded the development of services which identified the needs and desires of the individual. Australia was sitting on the crest of a wave. The 1990s saw this heightened expectation dwindle rapidly. There was a consolidation of the different employment models but the Australian scene has not moved into the provision of innovative programs for people with disabilities.

BRIFF COUNTRY OVERVIEW

The vast Australian continent (77 million square kilometres) is populated by approximately 17 million people — nearly 65% of whom live in the capital cities of the six states and two territories. The majority of the population lives in the two coastal regions, the largest along the south eastern seaboard and the smaller along the south western coast. Almost three quarters of the Australian land mass is relatively uninhabited.

Australia has a federal system of government with the six individual states and two territories having their own legislatures; a situation somewhat similar to Canada and the United States. However, the Australian parliamentary structures are based upon the British Westminster system.

The demographic revolution of the twentieth century in the developed world has meant that mainstream adults are living longer and special populations are surviving in ways not previously experienced nor planned for. Adults with intellectual disabilities are outliving their parents or are aging along with parents in two-generation geriatric families.

The federal government is the major funding body for non-profit organisations that conduct vocational programs for people with disabilities in all states and territories. At the federal level a major legislative initiative has been the introduction of the Disability Services Act of 1986.

This Act has been responsible for sweeping changes in the type of residential and vocational services where essentially no new service has been funded that is not community-based. Traditional service types have until 1995 to submit a detailed plan of their transition to regular housing and community integrated day and work programs.

The pattern of services in Australia for people with moderate to mild disabilities vary from special integrated school service at the child-hood level, from sheltered to open employment options; and from living in the parental home to various forms of semi-independent living. Within sheltered employment the tendency has been to keep people employed well beyond the average retirement age for the non-disabled population, especially if they continue to be productive. Until recently no concerted efforts were made by service organisations to provide alternative day activities.

For those more severely disabled, day programs were provided at Adult Training Centres. Many of these were and continue to be "low level" sheltered workshops with few financial resources to employ specialist staff that could offer a more relevant and rewarding program. In many cases even these facilities have turned away many people with severe multiple disabilities, the alternative being a nursing home environment or staying in the parental home. Both commonwealth and state governments are presently exploring ways to provide a more meaningful program for this group (Parmenter et al., 1990).

The Commonwealth Disability Services Act (1986) has been at pains to emphasise the value of "real" work. Despite vigorous efforts since 1986 to encourage the development of supported and competitive employment programs, they still only cater for less than 5% of the population of people with disabilities.

In 1993 the Commonwealth State Disability Agreement (CSDA) divided funding for services for people with disabilities into employment and non-employment related. This reshuffle has not been without

difficulty and there is still some way to go before a definitive model of employment service is operating.

Individual states and territories have assumed the responsibility for funding of residential services. The Commonwealth is now responsible for funding of all training and employment related services for people with disabilities, however, there has been little or no impetus in Australia toward the fostering of small business within the context of self employment.

A handicapped person (using World Health Organization classifications) is defined as a disabled person aged 5 years or over who is limited to some degree in his/her ability to perform certain tasks in one of the following five areas: (a) self care, (b) mobility, (c) verbal communication, (d) schooling, or (e) employment. A disabled person is defined as a person who has one, or more than one impairment or a disability which has lasted, or is likely to last, for six months or more.

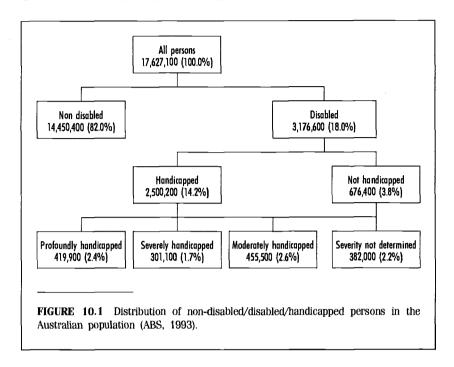
In 1993, 3,176,600 people or 18% of the Australian population were disabled. (Table 10.1) Of these people, 2,500,200 (14.2% of the population) were found to be also handicapped; profoundly handicapped 419,900 (2.4%); severely handicapped 301100 (1.7%); moderately handicapped 455,500 (2.6%); mildly handicapped 941,800 (5.3%); severity not determined 382,000 (2.2%) (ABS, 1993). (Figure 10.1)

Of the Australian population between the ages of 15 and 64 there were 1,274,700 people with handicaps. Of these, 593,000 or 46.5% were participating in the labour force, compared with 73.6% for the general population (ABS, 1993).

Approximately 53.5% of people with handicaps were not in the labour force, compared to 26.4% of the general population not in the labour force. There are more than 4,000 persons presently in sheltered workshops who have expressed a wish to move into open employment.

TABLE 10.1	Distribution	of persons	with disa	bility/handicap	in states/territories
and Australia	(ABS, 1993).				

Persons		NSW	Vic	Qld	SA	WA	Tas	NT	ACT	Australia
Handicapped:	N	803,200	640,100	455,300	241,600	238,600	69,800	15,400	36,200	2,500,200
	%	13.4	14.3	14.7	16.5	14.3	14.8	9.1	12.1	14.2
Disabled-not	N	212,500	177,900	126,900	59,200	66,400	17,500	5,300	10,800	676,400
handica pped:	%	3.5	4.0	4.1	4.1	4.0	3.7	3.2	3.6	3.8
Not disabled	N	4,984,300	3,643,400	2,512,800	1,159,200	1,367,500	384,200	147,600	251,300	14,450,400
	%	83.1	81.7	81.2	79.4	81.7	81.5	87.7	84.3	82.0



1. Current Status of People with Disabilities

During the March Quarter, 1993, a total of 37,230 people with disabilities seeking employment were registered with the Commonwealth Employment Service. A total of 9,269 of these people (24.9%) were placed in employment in the same quarter (CES, 1993). (Figure 10.2)

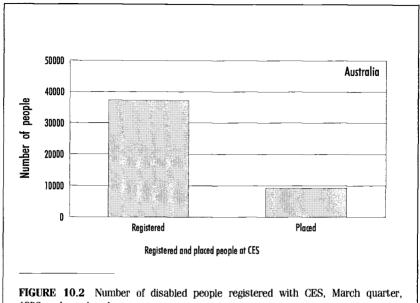
2. Underemployment

Official unemployment figures understate the real level of labour utilisation by excluding the underemployed and the hidden unemployed. Estimates in January, 1993, of underemployed hours would add 2.9 percentage points to the unemployment rate (Baker & Wooden, 1993).

Underemployment is most common where part-time employment is dominant. Underemployment is relatively pronounced in the wholesale and retail trade and recreation, personal and other service industries, and especially among salespersons and personal service workers. Unskilled blue-collar workers (i.e., labourers, etc.) are also relatively more likely to be underemployed (Baker & Wooden, 1993, p. 17).

3. Long-term Unemployed

In the recession of 1981/82, long-term unemployment doubled, reaching a peak in 1983/84. Between 1984 and 1989 long-term unemployment decreased, but had tripled by 1992 (Power, 1993).



1993 and employed.

Long-term unemployment in July 1992 included 325,600 persons and as a proportion of total unemployment was 35.2% (males = 37.2%). females = 31.7%). In July 1993, the total was 334,700 persons, which represented 37.2% of the total unemployed (males = 40.2%, females = 32.3%) (ABS, 1993).

Long term unemployment in July, 1993, included 334,700 persons who, as a proportion of total unemployment, represented 37.2%.

4. Changes from Full to Part-time Employment

There has been a collapse in the full-time job market in all sectors with the exception of the public service dominated industries. This had been partly offset by a compensatory growth in part-time employment. Displacement of full-time to part-time jobs has occurred most acutely in the manufacturing and construction sectors (Baker & Wooden, 1993; ABS, 1993).

These data indicate that upwards of 200,000 people with a handicapping condition may be included in the unemployed and underemployed figures across Australia. This represents a significant proportion of Australia's unemployment problem. If we can reduce this figure by concerted actions, the community as a whole would benefit.

5. Participation Rates in Technical and Further Education (TAFE)

The Commonwealth and State governments provide vocational training through the TAFE. Participation rates of students with disabilities in TAFE New South Wales (NSW) grew dramatically from approximately 2000 in 1988 to 5300 in 1991. Despite this growth, the participation rate of people with disabilities in TAFE NSW is approximately 1.2%, compared to a prevalence rate of 15.6% in the general population. The target rate for 2001 has been set at 10% (TAFE NSW, 1992, p. 7).

6. Training and Employment Models

The last decade has seen the development of a number of models of employment/training for people with disabilities. Individuals with mild disabilities access services under a Competitive, Employment, Training & Placement (CETP) model. Those with higher support needs access an Individual Supported Jobs (ISJ) model, a crew or an enclave.

The CETP model defines competitive employment, training and placement services as services to assist persons with disabilities to obtain and retain, or retain, full award wage employment in the workforce, and includes:

- services to increase the independence, productivity or integration of persons with disabilities in work settings;
- employment preparation, and employment and vocational training services: and
- services to assist in the transition of persons with disabilities from special education, or employment in supported work settings, to paid employment in the work force.

CETP services assist people who, because of their disability, may require access to training, placement and time limited support to obtain and retain award wage paying work in the general labour market. In this service type, service providers will provide training and support for a limited period. Support and training may be intensive initially, then diminish as the employee becomes proficient in the job. When the person can perform the job without ongoing support or assistance, agency involvement is reduced to ongoing monitoring or contact with the employee.

Training and support can be re-introduced if necessary, for example, if the nature of the job changes. Post placement support would usually be limited to 80 hours post placement.

The ISJ model is considered by many to be the least restrictive or most normalising of all the service delivery models. Using this model, an employment specialist (sometimes called a job coach or job trainer) places and trains a worker in a community job and provides as much training and follow-along as is necessary to keep the individual in that position (Mank, Rhodes, & Bellamy, 1986; Moon et al., 1985; Wehman, 1981, 1992; Wehman & Kregel, 1985).

There is one trainer for each worker, and it is assumed that over time, the type and amount of assistance provided by the trainer will be reduced, although some type of follow-along will be provided permanently. The jobs targeted for individual placement include any regular community-based positions. Of course, the nature of the local labour market and the preference and previous experience of the worker are major determining factors in the specific placements made (Wehman, 1986).

A person does not have to be job ready before placement can occur. A comprehensive training approach is provided after job placement, involving instruction in work, social, self-care, and community access skills.

Enclaves are small groups of workers with disabilities who form a production unit within a regular business or industry. This type of model attempts to improve integration of people with disabilities in the regular workforce. The enclave workers receive wages which are commensurate with their skill level and output in relation to that of an able-bodied worker.

Work crews are small businesses which undertake contract work for customers in regular workplaces. Work crews are usually mobile and employment and training is usually found in specific types of work, for example cleaning and gardening.

These models are catering for a reasonable number of individuals with disabilities however, the numbers are still relatively low. (Table 10.2)

7. Expenditure

The cost per individual for each service type has been a militating factor in the introduction of new services. Presently programs are funded at approximately \$7,500 per client to provide a CETP program. The cost per individual rises with an ISJ model. (Table 10.3)

The total expenditure for the Department of Health, Housing, Local Government and Community Services for 1991–1992 was \$18,211,541,000, of which \$728,524,000 (4%) was spent on disability programs (DHHLG&CS, 1993), (Table 10.4)

New employment services catered for 1,748 persons with disabilities, 1,333 or 76% of whom were working full-time and 415 or 24% part-time. Nearly two-thirds of these consumers were in competitive employment and over 70% were in open employment. Occupational

	Number of co	Number of				
Employment service category	Number supported in the open labour market	Number supported and employed by service	Total number in paid employment	consumers supported but not in paid employment	Total number of consumers supported	
CETP	2,314	29	2,343	3,296	5,639	
Supported Employment	1,024	1,008	2,032	1,027	3,059	
Sheltered Employment	913	14,468	15,381	1,936	17,317	
TOTAL	4,251	15,505	19,756	6,259	26,015	

Service Type	Total clients on file	Average cost per client	Average cost per client including operations & rent
CETP	985	\$7,603	\$8,264
Supported Employment	614	\$8,083	\$9,194
Sheltered Workshop/ATC	6.115	\$5,568	\$5,852

Disability programs: total outlays	1990–1991	1991–1992
Program monogement & general services	\$ 5,660,000	\$ 13,592,000
Employment Services	\$ 69,168,000	\$ 81,011,000
Accommodation	\$175,984,000	\$192,268,000
Community Porticipation	\$ 57,376,000	\$ 57,711,000
CRS	\$ 72,250,000	\$ 86,056,000
Heoring Services	\$ 34,128,000	\$ 55,041,000
Total	\$414,566,000	\$485,679,000

groups were predominantly labourer and unskilled workers, clerks, salespersons and tradespeople (The Roy Morgan Research Centre, 1992, pp. 28-40).

Waiting lists for these services are extensive. While 1,748 individuals were placed, 4,644 were registered on waiting lists. It was estimated that service providers have on average two consumers waiting for work for every one already placed (The Roy Morgan Research Centre, 1992, p. 31; Purdon, 1992).

8. Recent Advances

Significant advances have been made in placing people with high support needs in supported employment programs. Likewise a significant number of sheltered workshops have undergone transition and/or have expanded into viable businesses. Post-school option programs in a number of states have facilitated the entry of school leavers into open employment. However, one type of employment namely, self employment has not yet become a recognised or credible alternative in Australian society.

Search for Self-directed Employment Initiatives

As part of this project we have endeavoured to gain specific examples of self-directed employment initiatives across Australia. Requests were placed in newsletters and journals; known services and networks were contacted for suggested examples, and current literature was searched. The response was extremely low. There was no contact following the advertisements and the only information collected was through personal contact. These contacts were made following a vast interweave of phone calls that led to a specific person with a disability who was earning their living through a self directed employment venture. As much information as possible was collected through a telephone call and then each person contacted was asked to complete a questionnaire. This comprised the following six questions.

- 1. What is the name of the project, service, enterprise or imitiative. Indicate location and main purpose?
- 2. What is the target population, who do you service?
- 3. What is the context in which the initiative or enterprise began?
- 4. Describe the service, initiative etc. Include key features, method of operation etc.
- 5. Are there any key strategies used to enable persons with disabilities to become employed?
- 6. What evidence is there of effectiveness, limitations etc.?

There was some difficulty persuading people to complete the questionnaire. The low response rate and the difficulty to procure information suggests that a purposeful development of opportunities is minimal. From the small amount of information received it would suggest that people with disabilities face a difficult task when they formulate a career plan. People with disabilities aspire to similar working conditions and experiences as the rest of the community. Difficulty is experienced for many in accessing traditional paid wage employment and consequently some have taken the initiative to develop their own vocational path.

CASE ILLUSTRATIONS

1. New Era Enterprises. Adelaide, South Australia

This is a registered company and serves as the business legality for a number of trading enterprises. These include:

- Era Services Domestic Maintenance (The Great Barrier Leaf Co.).
- Eric Russell & Assoc Consultants in Sports Administration and Sponsorship.
- Fund for Sport S.A. agent for NZ-based fundraising company.
- Lotto System Co -- S.A. master distributor for Lotto slide selector.

These services are targeted to the general population but give particular emphasis to groups or individuals with disabilities.

This company was started by a man following an accident which caused paraplegia. Eric Russell wanted to be able to control his own time so that he could be involved in a number of international committees.

This service has several arms. Mr Russell quotes and organises a number of sub contractors to carry out specific domestic maintenance service. He is also involved in consulting/contract administration for specific term contracts for organising special events. These include National Wheelchair Games, Festival City Marathon, and the National Basketball Championships. Fund for Sport and the Lotto System Company both involve agency work, i.e., advertising for staff, controlling sales and stock, etc.

2. Comedian "Steady Eddy"

Christopher Widows (Steady Eddy) has cerebral palsy. He is 25 years of age and has become one of Australia's top-rating stand-up comedians. A spur of the moment decision to try out at a Comedy nightclub found Eddy with an act he could market. He continued to do auditions and finally got a booking after thirteen months. He went on to become a celebrity guest performer on several television shows. He has been on tour in other countries and has released a video and a CD.

3. Wheel Resort, Byron Bay

The Wheel Resort is on the far north coast of NSW and offers holiday accommodation to the general tourist population. Within the resort special emphasis has been given to the needs of guests with mobility problems. The resort is totally wheelchair accessible. It is located in a mainstream holiday destination and therefore caters for the needs of people with or without disabilities. This type of holiday

destination would be most appropriate for families with members who have disabilities as all members would or could be catered for equally. The aim of the owner was to set up a business that she could run from a wheelchair and to provide a mainstream holiday destination to a forgotten market — people with disabilities.

The resort is not large. It caters for up to 30 guests. The pool and spa have been appropriately equipped with ramps, hoists etc. There are bush wheeling tracks. All facilities are not only wheelchair accessible but geared specifically to the needs of those people who use a wheelchair. All cabins are self-contained, have large rooms and large bathrooms. The Resort also has screened verandahs for extra privacy.

The owner of this Resort reports that this business provides an opportunity for her, using a wheelchair for mobility, to both own and manage the business thereby providing her with an income and an opportunity to use her skills in an appropriately modified environment.

This venture is only limited by the smallness of the Resort but there are plans to expand. The owner quotes a current occupancy rate of 93% and hopes that this will continue with an expansion.

4. Tahune Fields, Hobart

Tahune Fields is the horticultural trading division of Oak Enterprises. This is an organisation which provides employment services, vocational training, community living and independent living training to people with an intellectual disability.

This service is situated in the Huon Valley which is about 45 km from Hobart and focuses on the fruit growing industry. About 200,000 young apple trees are produced for the commercial market and these are delivered to customers via a sale and distribution network. Apple bins are manufactured from pine timber for both local and interstate customers. Fresh apples are harvested from approximately 7.2 hectares of apple trees. In 1992 431 bins or 155,160 kg of fresh fruit was produced. Rose bushes and some varieties of stone fruit trees are also grown and these supply local markets.

Industry accredited training in horticultural techniques is also undertaken to train workers who leave to find work in open employment. The courses are completely integrated and support a mix of people both with and without disabilities.

Tahune Fields holds 60% of the national sales of commercial apple trees and does this whilst achieving a 95% rating in quality. The market for apple trees covers New South Wales, Victoria, Queensland and South Australia.

Tahune Fields commenced operation 17 years ago as a traditional sheltered workshop, in a small country town, as an initiative of a

community based interest group. This group was hoping to provide employment for adults after leaving a special school. Following the introduction of the Disability Services Act it was decided to centre solely on a production base. This focus continues.

All training is developed with the assistance of the Rural Industry Training Board and the Commonwealth and State training agencies. There are 32 employees who receive a productivity based wage. There are 4.3 full time equivalent support staff and 8.3 production staff in addition to those employees who have a disability. There is some need for casual employees during the picking season.

The key strategy for this service is to operate at industry standard and provide training in horticultural skills. This strategy assists employees to enter open employment with up to date marketable skills. Employment outcomes for graduates is 70%+, with at least one student with a disability being placed at Tahune Fields as an employee from each completed course.

5. Hallet & Associates, Scone, NSW

Jeremy Rolfe Solicitors are a subsidiary of Hallet & Associates. This company provides a competitive legal service for the town and the shire of Scone. The combined population is approximately 8000 people.

Jeremy Rolfe who is a C6/7 complete quadriplegic was a solicitor in Scone prior to his accident. Former clients contacted him after this accident and requested that he do their legal work. In the latter half of 1986 Jeremy Rolfe started a sole practice which amalgamated with Hallet & Associates in mid-1991. Mr. Rolfe is a consultant to that practice and runs the Scone office which operates normal business hours.

This service employees Mr. Rolfe and two secretaries. One secretary acts as a personal assistant as Mr. Rolfe has no use of his hands. In the early stages Mr. Rolfe was able to do a lot of his own word processing using a computer, now that the workload has increased he uses a dictaphone and a personal assistant.

This practice has proved to be a viable business. Mr. Rolfe would not now be able to operate without the use of personal assistant but he is gainfully employed and earns an income through this business.

6. Wallace & Schoenauer, Mona Vale, NSW

Wallace & Schoenauer is a small business involved in the design and production of advertising and promotional material and multi media production. This business services a local and international market. Duncan Wallace is a partner in this business and uses a wheelchair. Mr. Wallace found it was necessary to develop a business which he could successfully operate from a wheelchair. Computer involvement in the graphic design industry has allowed him to establish himself successfully.

Specifically Mr. Wallace designs and manages the production of all forms or printed matter for companies ranging from small local businesses to large corporations. Over 80% of their business comes from three corporate clients. This is a small company comprising three people and they use outside contractors in preference to direct employment.

DISCUSSION AND CONCLUSION

The difficulties in obtaining information and the information actually received indicate the momentum at which Australia is travelling in this area. It is reasonable to assume that there are other ventures in Australia, in addition to those listed, which are innovative. However, the difficulties encountered in locating and procuring information from any venture indicates the lack of interest that the funding bodies and the general community have in this type of employment initiative.

The examples noted here are innovative for the current Australian scene. The wider view would see a more limited picture. The employment scene in Australia presents difficulties for people with disabilities. There are limited job options and employment and training services have long waiting lists and follow specific models. For those individuals who are not able to access a service or for those who do not wish to access those specific models that are available are extremely limited in terms of vocational or employment options.

It is apparent that Australia has made great strides in the development and implementation of services for people with disabilities. There is a need, now that services have consolidated, to examine some more innovative approaches for people with disabilities. Self directed employment is one such initiative. For those people who have provided information for this study the benefits are enormous. Unfortunately the sample is small and quite often the individual is still receiving a wage through an employer. For Australians, this initiative and drive to gain and maintain employment, is evident. There is a need for funding bodies to widen their horizons and examine the efforts that have been made by these and other individuals.

CHAPTER 11 Canada

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INTRODUCTION

Inclusion of disabled people within the economic mainstream of society has been a goal of both organizations of/for disabled people and governments in Canada for some time. During the 1970s much of the leadership came from the parent movement of people with intellectual impairments through the National Institute on Mental Retardation, with a 'Plan for the Seventies' based on the principle of normalization (NIMR, 1982) and a systematic approach to community based services. One part of the Plan promoted the development of a comprehensive array of employment supports designed to promote integration into normative work places (DuRand & Neufeldt, 1975, 1980).

In the 1980s the leadership shifted to cross-disability self-advocacy organizations, largely led by people with mobility and sight impairments. The founding of Disabled Peoples' International in Winnipeg (Driedger, 1989) was both the result of and further catalyst to the leadership of this movement. One of the main agendas pursued was legislation and policies supporting access by disabled people to wage employment in the normal labour force.

With active leadership from the disability sector, and generally supportive public policies, one would think that opportunities for self-employment by disabled people would naturally have arisen. That was not the case, though. This chapter describes the employment context for disabled people in Canada, and the relatively recent rise of interest in self-directed employment.

BRIEF COUNTRY CONTEXT

Canada is the second largest country in the world in terms of land mass, covering some 9.97 million square kilometres. Despite its size, the population is relatively small (somewhat over 27 million people in 1992), with the majority (about 80%) living within 200 km of the United States border. There are no permanent settlements in 89% of the country. The society is comprised of a great diversity of peoples, customs, languages and religions and is primarily urban with only 23% of the people living in rural areas.

A variety of indicators suggest that Canada is one of the fortunate nations in the world. Its per capita GNP of US\$21,000 per year ranks seventh in the world and its workforce is amongst the most highly skilled. Life expectancy for females (born between 1985–1987) is approximately 80 years, while for males it is approximately 73 years. In 1988, the infant mortality rate was the second lowest in the world.

Governance of the country is divided into three levels — a federal parliamentary government, ten provincial plus three territorial governments, and municipal governments within the provinces/territories. Responsibility for policy formulation is shared between the federal and provincial governments. The provinces have primary responsibility for matters such as health, education, social services and natural resources; and, the federal government has primary responsibility for immigration, trade and economic development, and international relations. Employment-related development programs have in the past been primarily a federal matter, but at present a considerable amount of decentralization is taking place, with responsibility shifting to the provinces.

It is not that the country has no problems. Politically, there is a movement within Quebec which proposes to separate the province from Canada. This has an unsettling effect on the economy. Along with other western countries, Canada has had a relatively high unemployment rate of nearly 10% in 1997. This compares to a long-term average of about 7.8%. And, while Canada has one of the highest literacy rates in the world, in 1990, a literacy survey revealed that 16% of all adults (approximately 2.9 million people) have a reading ability too limited to deal with most everyday written language.

The employment situation for disabled people also remains unsatisfactory. For the age range 15 to 64, the prime working age range, about 2.3 million out of somewhat over 18 million Canadians (12.8%) were disabled in 1991 according to a Health Activity Limitation Survey conducted by Statistics Canada. Of these, 44% of disabled people were not included in the labour force compared to 19% of non-disabled people. 'Not in the labour force' is defined as not working and not having looked for work in the previous twelve months. Of those 'in the

labour force,' an additional 8% of both disabled and non-disabled people were unemployed. Only 48% of all disabled people were employed compared to 73% of non-disabled persons.

Canada's approach to employment of people with disabilities has been framed by three main kinds of policies — civil rights related, basic income security and special resource allocation. Two important pieces of legislation establish the civil rights of all Canadians to equitable opportunity for employment. The Charter of Rights and Freedoms adopted in 1982 as the highest law in the land affirms the right to equality in employment and encourages the elimination of discriminatory practices. In 1986 an Employment Equity Act was passed, building on the Charter. The aim of this Act was to increase labour force participation by four disadvantaged groups: women, aboriginals, visible minorities, and disabled people. Some preliminary data on the impact of these two pieces of legislation on employment of disabled people has been provided by Neufeldt and Friio (1994). Second, basic income security is provided to all Canadians through a number of publicly- and privately-managed insurance, pension and welfare programs. The most notable of these is the Canada Assistance Plan which has provided for federal/provincial cost-sharing of basic income for people determined to be in need of social support. Disabled people qualify as likely to be in need, and therefore are eligible for support. These funds may also allow for the cost of training and supported employment programs. The third approach has been to allocate certain funds which directly bear on enhancing the prospects of employment for disabled people. The Vocational Rehabilitation of Disabled Persons Act has provided for federal-provincial cost-sharing of vocational rehabilitation services since 1962. In addition, both the federal and provincial governments have adopted a number of labour force development and job accommodation programs with the express aim of enhancing the prospects of disabled people (and other disadvantaged groups) to enter paid employment.¹

CANADA-WIDE SURVEY

In 1991 and 1992 a Canada-wide survey was undertaken to identify initiatives that had as their purpose enabling disabled people to participate in self-directed employment. Telephone and written contact was made with key individuals within federal and provincial governments, disabled peoples' organizations and national voluntary organizations. Despite an

 $^{^{1}}$ Note: At the time of publication all federal-provincial cost-sharing arrangements are beings re-arranged.

intensive search, only five examples of systematic initiatives/strategies leading to self-employment or micro-enterprises were identified.

Once potential income generation initiatives were identified, contact was made to determine if the strategy/activity met the criteria for the research. Thereafter, interviews were arranged and data was collected from project personnel and participants. A brief description of each follows.

1. Capability Plus

Capability Plus was initiated by the Government of Alberta's Department of Economic Development & Tourism in 1991 as a pilot project, and was concluded in 1995. Its aim was to increase business opportunities for disabled people through financial assistance and business counselling. Eligibility was restricted to persons with permanent impairments which limited their opportunity for employment and access to capital from conventional sources.

Disabled people interested in Capability Plus could contact the program manager from throughout the province by means of a cost-free 1–800 telephone number. The program manager provided advice by phone, or in person in his travels throughout Alberta.

Throughout its history, two main strategies were employed. The first was to provide funding for individuals who had developed sound business and marketing plans. Interest-free loans of up to \$10,000 were available for new business ventures or for expansion of existing businesses without reference to personal assets as typically required by banks or other lending institutions. The second strategy was to provide business consultation. Potential applicants were referred to information sources and training opportunities that would help them put together a business plan. The department also provided half-day information sessions on business and market planning, and provided printed material as guidance for potential applicants. Consultation also was available for applicants wanting assistance in thinking through their business. Overall the consultation service was not well used, according to the program manager, but participants viewed its availability as important.

In its first year (1991) a total of 31 applications were received and 12 individual business plans were approved for enterprises as diverse as a used-car dealership, computer animation, accounting services, a recycling business, a ceramics business, and architectural consulting. Loans for these 12 businesses totalled \$91,000. In each of the three succeeding years an additional \$100,000 was made available for loans, with the actual number approved each year as follows: 1992 — 18; 1993 — 13; 1994 — 14. In 1995 the provincial government decided to close the program as part of its effort at cost-reduction.

Overall, the project must be judged as a success, particularly when judged in terms of its ability to support the development of successful businesses. Over its history of four years a total of 56 businesses had been funded through Capability Plus loans. Of these, 42 businesses were still operating in 1995, a 75% success rate.

On the other hand, the loan repayment rate has not been as high. Though it is too early to determine what the eventual rate will be, up to writing this report only 7.31% of the total amounts loaned had been repaid, with 17 of the 56 funded businesses actively repaying their loans. Part of the problem with the repayment rate may well be inherent in the nature of these loans. In fact, the provincial government viewed these loans as grants since it preferred to see the loans as expenditures during a given government fiscal year rather than as recoverable assets. While individual loan recipients made moral commitments to repay their loans, in fact there was no legal obligation to do so.

Having said there is no legal obligation to repay their loans, it is noteworthy that a sizeable portion of recipients are repaying the funds received. While only 7.31% of all funds received has been repaid so far, it is too early to tell what the final rate will be. For example, of the first \$91,000 loaned, \$18,335 had been repaid by the end of the fourth year, or about 20%, with additional sums coming. Repayment rates from succeeding years are also beginning to come in at about the same rate as those from the first year.

2. Entrepreneurial Cooperative for Disabled Persons Ltd.

A group of disabled people, under the umbrella of the Saskatchewan Voice of the Handicapped (now Voice of Persons with Disabilities), set up an Entrepreneurial Cooperative for Disabled Persons in 1990 in the city of Regina. Their intent was to address the problem of unemployment faced by disabled people through the promotion of entrepreneurship. A board of seven directors was set up to guide the organization involving individuals from business, the Voice (an organization of disabled persons) and the provincial government.

This cooperative was the first to address the self-employment interests of disabled people, though a number of similar cooperatives had previously been set up to promote self-employment opportunities for other disadvantaged groups including native people, women and immigrant populations. Each cooperative is fundamentally set up as a loan association, where members can receive a loan of up to \$5,000. Loans may be obtained for the capital costs of business start-up or business expansion, but not for operating costs. Funds for the loans are made available to each cooperative from the provincial government

department responsible for economic diversification and trade, the Saskatchewan Economic Development Corporation (SEDCO). Any given cooperative can access no more than \$50,000 for loans at a time.

The general operating pattern is similar for all similar cooperatives/loan associations. Applicants submit a business and marketing plan, a resume outlining their personal background and experience relevant to successfully operating the business, a budget, and their loan request to the cooperative. The board reviews the application. If approved, the cooperative sends the proposal to SEDCO for approval. On approval, SEDCO loans the money interest-free to the Entrepreneurial Co-op and they, in turn, loan it to the applicant at an interest rate determined by each cooperative separately (the Entrepreneurial Cooperative for Disabled Persons charges 6%). The interest rate charged by the cooperative pays for its operating costs. Loans are repaid to the cooperative which, in turn, reimburses SEDCO.

Recipients are expected to repay their loans in monthly instalments. Recipients who successfully pay down their loans may apply for additional top up loans to the ceiling of \$5,000 for reasons such as expanding their businesses.

The first Entrepreneurial Co-op for disabled persons filled rather quickly. Ten individuals received loans for business startup or expansion in 1991. The variety of enterprises developed include a small corner store, popcorn sales, vinyl repairs, bible video and supply store and a frozen yogurt franchise outlet. Since the approved loans reached the maximum of \$50,000 available to the cooperative, a second loan association for disabled people was set up in Regina. Similar loan associations for disabled people have been set up in other localities in Saskatchewan.

The predominant strategy involves access to funding. A secondary strategy involves giving applicants information on sources they might access for business consultation and advice. Part of the strength of the cooperative approach is that members are at least indirectly implicated if one of their number doesn't repay a loan. As a consequence, repayment rates have been very high. Of the initial 10 loans approved by the Entrepreneurial Co-op, there was only one bankruptcy. The businesses of two other applicants also have closed down, but both have repaid their loans. The businesses of 7 out of the 10 applicants are still operating, and all are repaying their loans, with several having applied for additional top up funding to expand their enterprises.

3. Churchill Park Greenhouse Cooperative

This cooperative was established in 1974 by a small group of community members in Moose Jaw, Saskatchewan. Its original intent

was to provide meaningful employment for four former residents of the provincial institution for 'mentally handicapped' persons. The co-op was set up so that these four men, along with other non-disabled workers, would have equal ownership of day-to-day operations. With time, the aim of the cooperative was broadened to create meaningful, non-exploitive employment for disadvantaged workers. A board of directors was formed to provide general policy and guidance for the cooperative, and includes representatives from the Institute for the Blind, Saskatchewan Association for Community Living, Association of the Physically Handicapped, Moose Jaw Anti-Poverty Organization and Moose Jaw Single Parents Association.

At the time of our survey, nine disabled people were employed on a full time basis to operate the greenhouse. Part-time workers were hired as necessary during the seven-month growing season. As the work is seasonal, workers are eligible to collect unemployment insurance during the off season. Bedding out plants, tomatoes and cucumbers are grown and sold in local and surrounding markets.

A number of strategies were employed in beginning the greenhouse, as well as in its continued operation. At the outset, the initiators sought business advice on various aspects of greenhouse operation, and a feasibility study was conducted. Members of the board of directors managed to obtain support funding from a variety of government granting sources to get the greenhouse underway. To defray ongoing costs, community volunteers provide assistance with produce marketing. In addition, the cooperative has links with an educational institute and provides training opportunities for community service workers, both of which again extend its personnel capability.

4. The Disabled Entrepreneurs Program of Nova Scotia

In 1981, the Disabled Entrepreneurs Program was initiated by the government of Nova Scotia through the Department of Small Business Development. The program was prompted by one disabled individual who was concerned with the difficulties that people with disabilities encounter when attempting to support themselves outside the social service system. The program aims to support and enhance the capacity of disabled entrepreneurs to create small businesses by providing access to funding in the form of a grant.

The sole strategy employed was in providing access to credit. Applicants were required to submit business plans and resumes which described technical and managerial qualifications, feasibility and market plans, and outlined projected revenue and expenses. Small grants are available up to 50% of the project (maximum \$7,500). Eligibility for

funding is restricted to individuals with permanent disabilities, and who have at least 20% equity in the business.

There was little advertising of the fund, so most disabled people seemed unaware of its existence. There also was little in the way of record keeping, so that precise numbers of recipients were not available, nor was there follow-up data on the success of recipients. The fund director estimated that approximately 120 individuals with physical and/or sensory impairments had accessed the program since its beginning. Some of the enterprises created include sign painting, piano repair, a trucking company, leather work, photography and an automobile service station.

5. The Bay St. George Community Employment Corporation

The most comprehensive approach to small business development found in Canada was by the Bay St. George Community Employment Corporation. Bay St. George is a small community on the west coast of Newfoundland, historically relying on two resource-based sources of employment for its population — fishing and pulp mill. With a down turn in the economy, unemployment rates have ranged between 15 and 20%. The Community Employment Corporation (CEC) was established in 1986 to promote self-reliance within the local community, and to expand locally determined sources of employment. Part of its aim was to promote and support entrepreneurial enterprises for people with intellectual impairments. Funding for this initiative was obtained through federal-provincial employment creation grants.

Specific strategies aimed at enabling prospective entrepreneurs with intellectual impairments to start their own businesses included:

- Awareness Raising. Working with individuals to identify their business interests and aptitudes:
- Business Consultation. Providing support in the development of a business plan, assisting in feasibility studies, marketing strategies, and providing managerial and operational support;
- Access to Funding. Supporting the accessing of funds required to capitalize the small businesses;
- Training. Arranging for skill training at each work site relevant to service and products; and,
- Community Development. Assisting in the development of natural support networks within the community for each person.

At the time of study, the CEC had assisted six individuals with challenging intellectual impairments to start and maintain their own businesses. Examples of the enterprises developed include the following. A female has a contract to operate a cafeteria and canteen service in

one of the regional schools. A male has a small company which repairs and builds lobster crates. Another man has an industrial nut and bolt refurbishing operation. Each owner financed their operation in part from personal or family resources, and in part through loans from federal and provincial employment creation programs.

In each case, the business plan had shown there was a viable market. For example, the nut and bolt refurbishing-business services the local pulp mill which previously had sent them to a more expensive plant in another province. The new business was both more cost-efficient for the pulp mill and kept employment in the local community.

A number of supports are made available to each of the business owners through the CEC. Each owner has at least one worker hired to assist with the work at the place of business. In instances where the owner has a substantial impairment, the workers fulfil a job-coaching role as well as doing some of the work. As the owner becomes more self-sufficient, the role of job coaching diminishes in favour of becoming a regular employee of the business. Each business also as an advisory board of directors to help with the basic business decisions. The board usually is comprised of representatives from the individual's family, the CEC, local business, the provincial government and interested others. The role of the board is to provide supported decision-making. Ray McIsaac, head of the CEC, notes that role is no different than practices found in more traditional businesses. The successful business owner relies on advice from many different sources in making essential business decisions. The only significant difference is that in these situations the arrangement has been formalized in a public manner.

Each of the businesses examined was on a path towards being financially viable, including paying for the salaries of employees initially hired as job coaches. These businesses were one of the five models illustrated in the 34 minute video on self-directed employment titled *Business as Usual*.

COMMENTS ON THE STRATEGIES EMPLOYED

The strategies used in the five initiatives have been thought of as having three levels of effect: on the individual disabled person, on a group of disabled people (not excluding other groups), and on the community in which these individuals live. Table 11.1 and the following commentary summarizes the basic learning points relative to the strategies.

Awareness Raising

An awareness raising approach was explicitly employed as a strategy in only one project. Media and public presentations were used to

TABLE 11.1	Comparison of strategies	used across five Canadian self-directed
employment in	itiatives, at the individual,	group and community levels.

STRATEGIES								
			Consultation	Training	Funding Access	Awareness Raising	Community Participation	
	Individual	1*	•		•			
		2	•		•			
		3						
_		4			•			
텵		5	•	•	•	•	•	
Level of Intervention	Group	1						
	·	2						
		3	•		•		•	
je je		4					•	
.		5				•		
	Community	1						
	,	2						
		3					•	
		4						
		5	•	•	•	•	•	
Projects:			1.6 (B) 11					
			Co-op for Disable					
			Greenhouse Co-op					
			preneurs Project	C	4.*			
	5 Bay 21	r. George	Community Emplo	oyment Corpor	ation			

promote improved literacy and an interest in entrepreneurship within the community. As well, images of disabled people doing valued work were presented in order to positively influence public attitudes. Information was also provided to the project's target population (individuals with intellectual impairments) in order to create awareness of opportunities for employment creation. Potential entrepreneurs received individualized support to improve self-confidence and increase awareness of their own competencies.

Business Consultation

A business-consultation strategy was used in four of the five projects. Making business consultation available was viewed as a significant strategy by both project beneficiaries and project leaders. It was repeatedly observed that many disabled people lack necessary business experience and knowledge on how to successfully develop and/or manage self-directed businesses.

Two of the five projects made business advice available to individual participants on how to develop business plans, conduct feasibility studies and design marketing strategies. Management and operational guidance also was given. A third project provided referrals to generic business consultation services; and, the fourth accessed consultation services to assist with a feasibility study for a group initiative.

While consultation was made available, it was not always used. Indeed, in one project participants noted that consultation was rarely used. Nevertheless, they felt that the availability of business consultation provided an element of security for novice entrepreneurs which they could draw upon when desired.

Community Development and Involvement

Devising ways to engage community members in a support role was a prominent strategy used by three projects. Of note is that all three were operated by non-governmental agencies. Two were cooperatives and used community volunteers as board members. One of these cooperatives also used volunteers to assist with marketing their products. The third project developed a voluntary advisory committee made up of members from various community agencies, businesses and various levels of government to give business advice to individual disabled participants. This project also had a broader advisory group, the purpose of which was to facilitate development of an economic and social vision of community growth amongst community decision makers.

A community development and involvement strategy seemed important in these projects for a number of reasons. It provided a source of advice and support for individuals pursuing their own entrepreneurial enterprises; it provided a vehicle to give visibility to and promotion of the business initiatives undertaken; and, it transferred some of the responsibility for development and success of entrepreneurial initiatives from the government to the community level.

Funding Access

Making funding accessible was a significant strategy in all five projects. In general, it was viewed as essential for disabled people to participate in self-directed employment since they had experienced difficulties accessing traditional generic funding sources such as banks because of limited education, business experience or the required collateral.

In three of the projects individuals were enabled to access funds specially designated for people with disabilities. Low-interest or interest-free loans were made available in two projects, and grants in the third. A fourth project assisted participants access loans or grants available through federal and provincial government employment creation programmes. The fifth initiative also accessed government and community

funding, but only for the purposes of developing a group rather than an individual enterprise. In only one project was funding access the sole strategy employed. The others usually made consultation available, and often provided other supports.

A number of dissatisfiers and problems were also identified. One concern from project participants was that the amount of money made available through a grant or loan was insufficient for their initial business requirements. Second, delays in funding or restrictions of funding to project startup and not for project expansion also proved frustrating for some participants. All recipients interviewed, though, were grateful that some funding had been made available despite their limitations.

Training

Only one project used training as an intentional part of its development strategy. The Bay St. George initiative provided work skill and business management training for its participants on a 1:1 basis using a support worker. This project also promoted education and training for entrepreneurial enterprise development within the larger community. In the other initiatives, skill training was assumed to be important, but was not part of the strategy at the time of study.

Conclusions Based on Survey Results

The 1991–1992 survey led to a number of conclusions. First, it showed the relative importance of a number of strategies enabling disabled people to become self-employed. All five projects showed promise of redressing historic challenges to economic independence for some disabled people, but the project which relied on funding alone seemed least promising. Second, the survey showed that self-directed employment was an option for people with all kinds of disabilities, including those with intellectual impairments. Third, it illustrated that a variety of models of approach could be used in supporting self-directed employment.

What the survey also showed was that, up to then, very little effort had been devoted to self-directed employment in Canada. In contrast to the vast amount of effort and resources allocated over many years to sheltered employment options and, more recently, to pursuing supported employment options and equitable opportunity in wage employment settings, the amount of attention to self-directed options had been minimal.

RECENT EXPANSION OF INTEREST IN SELF-EMPLOYMENT

Within the past few years both federal and provincial governments across Canada have given increasing emphasis to promoting the

development of small enterprises. In turn, this is contributing to a growing consciousness amongst disabled people as to possibilities in self-employment. Several recent initiatives are worth noting.

Self-employment Assistance (SEA) Projects

The federal government department of Human Resources Development initiated the SEA program in 1989 to promote self-sufficiency in the labour market through self-employment. The program was designed for unemployed people, and provides 52 weeks of income support while participants start their own business, 8 weeks of business training, on-going consultation services, and access to micro-loan funds.

In 1994 the SEA program was extended to include disabled people through a pilot project coordinated through the Canadian Council on Rehabilitation and Work. Four project sites were designated, one each in Calgary, St. John's, Winnipeg and Montreal. Particular attention was given in these projects to ensure accommodations for the specific impairments of individual applicants. The number of participants in each project site varied from three to twenty-one, with the majority being enabled to set up their own businesses. Types of business varied extensively, from 'The HAWG Doctor' in St. John's who services Harley Davidson motorcycles and all-terrain vehicles, to a sandwich eatery in Montreal, to manufacturing guitars in Winnipeg, as well as more common services such as desktop publishing, graphic arts services and others. Recently a SEA project has been allocated to the Alberta Association for Community Living to support adults with intellectual impairments to set up their own businesses. This project is in its very early stages.

The STRIDE Project and Entrepreneurship and Disability Workshop

The authors initiated a pilot project in the city of Calgary as a follow-up to the international study on income generation strategies. An initial request for small grant support to defray expenses was submitted in 1993, but at that time both federal and provincial government sources seemed to have no mandate (or interest) to support a self-employment initiative for disabled people. However, by the summer of 1994 the situation had changed, with funding a possibility. An advisory committee was formed with representatives from organizations of/for disabled persons, one bank, and provincial and federal government personnel provided guidance to project development. Four small grants were obtained from the federal department of Human Resources Development, the Alberta Association for Community Living, and the Royal Bank to cover

development costs, a sizeable portion of operating costs, and for making materials and events accessible.

The primary purpose was to provide training in business and market plan development to a group of disabled persons, since this seemed a gap in available resources given the availability of the Capability Plus funding program. A supplementary purpose was to organize an Entrepreneurship and Disability workshop for disabled entrepreneurs, employment agency personnel, and interested others.

A course outline for five one-day events was developed covering topics such as: 'do I have the right stuff to run my own business?'; business planning; planning for marketing of products and services; arranging funding; and related areas. A small business consultant was hired to provide the training, with events held in a mid-city meeting space made available courtesy of the bank.

The name STRIDE (derived from support, training, resources and information for disabled entrepreneurs) was devised to market the training events. In the autumn of 1994 information on the proposed event was circulated to all organizations of and for disabled persons in the Calgary region. As well, brief articles and notices were included in periodicals published by province-level disability organizations. This generated interest from only two or three individuals — obviously not sufficient to justify the workshop. Another promotional strategy was then adopted. An interview was arranged with a prominent writer for the small business page of the local daily newspaper; and, a poster was placed in Calgary's handibus system used by people with motor impairments. The newspaper article generated more than sixty telephone enquiries. The first conclusion, then, was that disabled people interested in self-employment probably are not heavily involved with the day-to-day activities of disability organizations.

From the enquiries, 20 individuals (one of whom subsequently dropped out) were selected to participate in the five-day training event based on two basic intake criteria: the person should have at least an idea about the kind of business she or he might want to pursue; and, the person should pay a registration fee of \$50 for the five days. This registration fee also covered participation in the Entrepreneurship and Disability workshop.

As part of a research exercise, participants were asked to cite the reasons for starting a business. The majority of responses relate to autonomy and self-realization — for personal achievement, financial improvement, to be my own boss. These reasons are typical of responses that might be provided by other entrepreneurs. The kinds of business ideas pursued varied from computer services, to running a llama farm,

to a bed and breakfast service for tourists in wheelchairs wishing to visit the Rocky Mountains.

STRIDE was followed by the Entrepreneurship and Disability Workshop in early June of 1995 with 75 participants. Based on written evaluations from participants, the event itself proved to be a major success, particularly for the opportunity it afforded to exchange ideas and form networks. Two other points are worthy of note — one positive and one problematic. The positive note is that we organized an entrepreneurial exchange one evening where disabled entrepreneurs were able to show their wares. This proved to be a stimulating occasion for both presenters and viewers.

The problematic point relates to participants from the STRIDE event, only two of whom attended the entrepreneurship workshop. Most STRIDE participants' personal income was based on the government income benefit program. Despite assurances to the contrary, they had become afraid to attend the workshop lest provincial government officials should see them there, and think them sufficiently capable of work that the income benefit would be cut off. Clearly, adjustments have to be made as to how the income benefit scheme is managed so that disabled people don't become immobilized when they wish to become less dependent on public financial assistance.

Access to Business Opportunity (ABO) Partnerships Project

By the spring of 1995 interest in self-employment had grown to the point that the federal government was interested in supporting development of initiatives across Canada. A proposal was prepared conjointly by the University of Calgary and the Canadian Centre on Disability Studies in Winnipeg and submitted to the federal Disabled Persons Participation Program — with funding granted in the fall of 1995.

The project facilitated development of Access to Business Opportunity Partnerships in 10 communities across Canada which had as their purpose ensuring that disabled people interested in pursuing self-employment have access to the same resources as non-disabled people do. Each partnership was to be comprised of the major players in each community involved in supporting employment and small business development. These included groups such as the federal business development bank, local banks and cooperatives, the chamber of commerce, Canada Employment Centres, provincial government representatives, small business organizations, along with representatives from the disability sector.

In 6 of 10 communities active ABO partnerships were established, indicating that the project was timely. A report describing experiences

in the 10 communities indicates that, despite the interest, a number of barriers limit the accessibility to needed resources by disabled people (Neufeldt et al., 1997).

CONCLUSIONS

The fundamental conclusion to recent events is that there is a growing interest in support of the self-directed employment option, both in government policy quarters and amongst disabled people. For this interest to be realized, though, two kinds of barriers will need to be addressed. The first has to do with accessibility to resources normally used in setting up small enterprises. The five initiatives identified in the 1991 survey have demonstrated that, with some adjustments, disabled people are as capable as others in setting up and operating businesses. The challenge is to make all resource requirements accessible.

The second major barrier relates to the income benefit system in Canada. The present system has significant disincentives for disabled people who try to become financially independent, despite the fact that the amount of income benefit received by disabled people is marginal at best. One would think it possible to set up a system that is win-win — a win for disabled people in that, as they gain income through employment, their total income (including health care and other benefits) keeps rising; and, a win for society in that, as the earnings of disabled people increases, the amount of tax-payer support gradually decreases.

CHAPTER 12 The United Kingdom

Michael Floyd, Stephen Fleming,
 Doria Pilling and Margery Povall

INTRODUCTION

This chapter is based on a study carried out by the Rehabilitation Resource Centre for the Central London Training and Enterprise Council (CENTEC). CENTEC, like other Training and Enterprise Councils was set up two years ago to provide vocational training for people living and working in its area. The area includes several central London boroughs and has a resident population of several hundred thousand people. Within its boundaries are to be found several famous landmarks, such as Piccadilly Circus, Trafalgar Square and Oxford Street, as well as the headquarters of many large national and international companies.

BRIEF COUNTRY OVERVIEW

The United Kingdom (UK) is a highly developed country that ranks tenth in the world on the human development index (United Nations Development Programme Human Development Report, 1993). Located in northwest Europe, it is a relatively small country with a population of 57.6 million (1991 census estimate), of whom 89% live in urban areas and 12% in London alone. Income per capita is US\$16,080 (UNDP, 1993) and total GNP (of which central government spending constitutes 35%) makes the UK the world's sixth largest economy. The economy is also a relatively open one with exports constituting 20% of GDP. There is universal access to education and health care, life expectancy is high and infant mortality low and the workforce is relatively highly skilled.

There are an estimated 6.2 million disabled adults in the UK (Martin, White & Meltzer, 1988). However, for purposes of employment, disability is defined by a 1944 Act of Parliament which states that:

the expression disabled person means a person who, on account of injury, disease or congenital deformity, is substantially handicapped in obtaining or keeping employment, or in undertaking work on his own account, of a kind which apart from that injury, disease or deformity would be suited to his age, experience and qualifications; and the expression disablement, in relation to any persons, shall be construed accordingly. (Quoted in Prescott-Clarke, 1990)

This act established the *Register of Disabled Persons*. It is the task of Disability Employment Advisors (DEAs), who form part of the Government's Employment Service, to decide whether each case that comes before them can be registrable under the act. A further decision also required from the DEAs is whether registrable cases are classified as Section II. Someone is classified as such if the DEA considers that they are unlikely to cope with employment in ordinary, competitive industry; they then become eligible for sheltered employment.

Prescott-Clarke (1990) estimates that there is a registrable population of 1,061,000 of whom 366,000 are classified under Section II. She also found that 3.8% of the working age population is disabled and economically active — that is, either in work (2.9%) or looking for it (0.9%). Of these a higher proportion are men — 4.2% of men are disabled and economically active, compared to a figure of 3.3% for women.

Another survey by the Office for Population and Census Surveys (OPCS), indicated that there are approximately a further one million disabled people of working age, who are not economically active.

Interesting data also exists on the nature of employment in which disabled people are involved. Of those in work, 83% are in open employment, 3% are in sheltered employment and 14% are self-employed.

Self-employment increased rapidly in the UK in the 1980s. By 1989 there were 3.4 million self-employed people compared to just 2.2 million in 1981 (Labour Force Surveys, 1981, 1989) — an increase of 57% in only eight years. Similar trends emerge amongst disabled adults. According to Labour Force Surveys, the increase in self-employment may even have been larger within this sub-section of the population.

However, the overall figure for the proportion of disabled people in self-employment (14%), as compared with 11% for the general population, masks some important detail. The percentage of self-employed men in the total working disabled male population is 18%; the corresponding

figure for women is just 10%. This means that, overall, 70% of the self-employed disabled population is male. Moreover, for men the self-employed are concentrated in the 35–64 age group, while for women the concentration is in the 45–55 category. In both cases there are particularly low numbers of self-employed disabled people in the 16–34 age groups. There are also relatively high numbers who work in a disability-related area, a large proportion who work in offices or at home (often with an emphasis on computing), and almost all employ fewer than 20 employees.

Self-employed disabled people appear to be more occupationally handicapped than their counterparts in open employment; although they report larger numbers of hours worked in a week than employees: fewer work a standard working week of five days and seven hours a day. Many more self-employed people also report having to regularly stop work or take rests because of their health (48% compared to 23% of employees), and many more (48% compared to 25%) say that they earn less than non-disabled people doing the same job. In addition, there are large differences between the self-employed and the employed in terms of ability to use taxis, trains, the tube (subway) and buses. In fact, as many as 19% say that they have to work at home because of their condition — and people who had switched from employment to self-employment because of their disability accounted for over half of the total number of self-employed people at the time of the interview in Prescott-Clarke's survey. More positively, however, there are also those who are "entrepreneurial by nature or profession" with few being forced into self-employment by former employers (Fleming, Pilling & Povall, 1992). Furthermore, there are a variety of schemes which are designed to promote self-employment — both general and specific in character.

SCHEMES AVAILABLE TO ENCOURAGE SELF-EMPLOYMENT

General Schemes

In 1992, there was a wide range of general schemes:

Enterprise Allowance Scheme,

Now New Business Support

This scheme is run by the central government's Employment Service and is intended to encourage new firm formation through the provision of grants and concessional loans.

Employment Training Scheme (ET)

Enterprise training available up to a year for the population at large and two years for those with disabilities. Includes formal training courses and assignments, counselling sessions and skills updates (where necessary).

Employment Service Scheme

Working at home with technology, travel to work grants.

Enterprise Agencies

For example, London Enterprise Training Agency offers interest-free loans of up to £1,000 and variable interest-rate loans of between £1,000 to £5.000.

Local Authority Based Initiatives

For example, the Camden Economic Development Unit is involved in schemes which have included disabled people (amongst others) as a priority group, though lack of funds means it currently offers little direct assistance, concentrating more on acting as a signpost to other potential funders. The West London Task Force and the Midland Bank offers a Growth Through Business scheme administered by the Westminster Enterprise Agency.

Local Investment Networking Company provides introductions to private individuals looking for investment opportunities in small businesses and gives loans generally in the range of £10,000–£150,000. There are no special features for disabled people.

Livewire offers help for 16–25 year olds setting up a business by matching clients with advisors. They are aware that their weekend Challenge Course has not always been physically accessible to disabled people but hope to remedy the situation.

Princes Youth Business Trust offers funds and advice for young people up to the age of 25 and for disabled people up to the age of 30.

Greater London Enterprise and its various agencies run a Business Incentive Scheme offering unsecured loans up to £5,000 for start up enterprises. GLE can only recall one disabled person receiving a grant and three who have been unsuccessful.

Crafts Council gives grants up to £5,000 with no particular targeting of disabled people.

Many grants and loans are available in the voluntary/charitable sector and some are of relevance to self-employment. There is no evidence, however, of any specifically for disabled people in this sector.

Specific Schemes

Specific schemes targeting disabled people include:

- Employment Service provides help via its Placement, Assessment and Counselling Teams (PACTs). It also has schemes which are particularly relevant to disabled people — for example, a Special Aids to Employment Scheme (best known and important source of funding), an Adaptations to Premises and Equipment Scheme, a Personal Reader Service for people with visual disabilities and a Communicator Scheme which has currently lapsed but may be revived.
- The Royal National Institute for the Blind's Small Business Unit gives some enterprise training.
- Blind Homemakers Scheme in London is managed by the Royal London Society for the Blind. Take up is low—it is used by only three or four clients in each borough. Although the scheme is not just for the visually impaired, they form the vast majority of the client group. Clients' income is topped up, if necessary, to a set level by the relevant borough. However, the scheme is unlikely to expand because of local authority funding restrictions and, in any case, this appears to have more of a social welfare than enterprise function.

THE CENTEC STUDY

Despite the existence of these schemes, concerns about self-employment remain. One of the most common problems appears to be the difficulty in obtaining information about the effects of self-employment on welfare and disability benefits and on income tax. For disabled people this sort of knowledge is crucial — entitlements are usually far more complicated than for the population at large. In common with non-disabled people, however, is uncertainty about whether self-employment is a viable option. This reflects a lack of experience in business, with particular fears about bookkeeping; a feeling that training courses are often inaccessible to the physically-or sensory-impaired; how much to tell a client about a disability and the importance of telephone communication for those with hearing difficulties. Some also comment on the loneliness and limited contact with others associated with entrepreneurship.

Even when people have taken the plunge, provision in the New Scheme Business Support is rarely sufficient to enable people to draw up business plans that succeed in obtaining funding. Considerable confusion and apprehension has also been generated by the jargon used by self-employment advisors. The consensus seems to be that more individual support is necessary with more time available to help disabled people come to decisions about self-employment: the relative isolation of disabled people (often being more home-based) and the greater implications of self-employment for them provide the rationale for this.

As well as these quite legitimate concerns, other problems also seem to exist. Many disabled people either regard themselves as ineligible for the Enterprise Allowance Scheme (New Business Support) or are simply not aware of its existence. Furthermore, while Employment Service staff were often found to be very helpful in acquiring equipment, few were used as sources of information. Fewer still realized that Training and Enterprise Councils can provide equipment to people while they are training, as well as when they are working. Similarly, marketing advice seems to be only infrequently sought, usually being acquired through trial and error, and business plans are seldom formulated except where formal training has required their production. For those disabled entrepreneurs considering growth, information and advice is hard to come by and bank managers can also be perceived as obstructive.

Those who provide training and advice can also offer some interesting insights. Very few employment advisors in either the voluntary or statutory sectors report significant numbers of enquiries from disabled people about self-employment. Many can recall none (the Employment Service estimates that only about 5% of those on Enterprise Allowance have disabilities or long-term health problems). This may in part reflect the fact that there is little evidence that Enterprise Training providers can offer the specific information that disabled people need (for example, on benefits) and little (if any) marketing of schemes to disabled people. Yet without any special emphasis to show that disabled people are welcomed, and without an effort to offer such important information, disabled people may feel excluded. In addition, when special facilities are required (and may exist) advertising seldom indicates whether or not they are available, while rules about attendance may not be flexible enough for people with certain types of disability. Furthermore, none of the Enterprise Providers in the study advertised in places where people with disabilities are likely to look — for example in the disability press — apparently reflecting the fact that providers had never thought of it, the costs involved in targeting specific groups. and fears about being able to cope if they suddenly attracted large numbers of disabled clients (though one provider who had tried local leafleting had been rewarded with very little response).

Unfortunately, providers do not even seem to lay much emphasis on collecting data about disability and usually think about disability only in terms of impaired mobility (and sometimes in terms of visual and hearing problems) anyway. Mental health problems were rarely regarded as disabilities and in any case, disabilities are frequently only discovered when particular circumstances bring them to the fore.

The low uptake of training may also reflect the complicated structure of Enterprise Training Provision. In London, the number and type of Enterprise Training options that a provider can offer depends on the contracts they have obtained from the local Training and Enterprise Council, while the amount of counselling and other facilities that can be offered depends on the type of agency and on whether it receives TEC funding (for example — from sponsorship). From the point of view of the client, the overall picture can be very confusing — a situation compounded by high staff turnover, a small core staff and no proper career structure for Employment Service staff.

Even when enquiries are forthcoming there is often a considerable degree of caution (often with much justification) on the part of the advisor about recommending or encouraging self-employment. Advisors often seem to be acting as gatekeepers to self-employment amongst disabled people (possibly encouraged by training not being offered on the ground floor with no lifts available — this can dominate the thinking of providers and may encourage them to push disability issues to the back of their minds).

Nevertheless, several of the Training Providers in the study did realize that they were not doing enough to cater for people with disabilities, and only one did not favour any positive discrimination — though there were concerns about not understanding disabled peoples' needs, and none had received any information specific to disability issues.

The situation is compounded by poorly developed networking between providers on disability issues. As one person put it in the study, "people don't talk to each other — Enterprises Agencies don't talk to each other — the others don't talk." None of the providers had had any contact with Employment Service staff. The one provider with some contact with disability organizations had also not found them very welcoming and was wary of treading on someone else's territory or using politically incorrect terminology.

More positively, however, all the providers, with one possible exception had at some point made special accommodations for people with disabilities. These included forewarning someone with a hearing problem that there was going to be a video, making appointments to fit in with medication, overcoming access problems through giving counselling on the ground floor, (or at at a client's home), instead of in the main premises upstairs, giving extra counselling and support to people with mental health problems, and arranging specialist support — such as a signer for a deaf person. Furthermore, all but one of the eight Training Providers visited welcomed the idea of staff having disability training. None suggested that staff would not be allowed to go

on such training courses because of the difficulties in providing cover (as had often been said in an earlier study of Employment Training).

It must be admitted, nonetheless, that even if the difficulties described above are overcome, the fact remains that there are a limited number of places available for Enterprise Training. Often it is also the people who have most recently been in work who filled in the best application forms. People with disabilities may well be among those who never return forms or who are rejected because their ideas are not very clearly formulated. This is not helped by some questions on the application form which are either worded negatively from the perspective of disabled people or which are not followed by reassurance that answers to questions such as "Do you have a long-term health problem or disability which may affect your training?" will not affect the applicants chances of success. Providers, understandably, want to be seen as successful in order to maintain their reputations and to safeguard future CENTEC contracts — on Enterprise Training CENTEC offers a percentage bonus to providers on output — that is, for trainees who are in business, employment or full-time education three months after finishing their course. As one person put it, there is a tendency to take people who will "maximize their funding." Given expressed fears about being able to continue to maintain the services offered because of money "drying up," the situation is unlikely to improve.

RECOMMENDATIONS

It is essential to *establish a network* for Training Providers, self-employment advisors, Employment Service (PACTs), Department of Social Security Officers, disability organizations, key social workers, providers of legal and financial services and disabled entrepreneurs. Meetings should be held quarterly, with a focus on particular topics. A news sheet should highlight changes in the field of disability and self-employment.

Disability and awareness courses should be provided, including updating seminars. Since there is a high staff turnover, it is important to have several staff in each organization participate in training.

Contracts with providers should be altered in the following ways:

- (a) lengthened, to facilitate and encourage staff training, adaptation of premises etc.,
- (b) changed so that there must be a statement about facilities for disabled people.
- (c) positive action in relation to disabled people should be a criterion for awarding contracts,

- (d) monitoring should be improved so that the numbers of people with disabilities and long-term health problems receiving and applying for information is known,
- (e) additional training that is provided, for example to people on New Business Support, should be clearly specified.
- (f) possibly offering greater flexibility in Business Enterprise Programmes so that people need only participate in those sessions for which they feel a need.

Increase the flexibility and choice of training facilities for disabled people. Many disabled people express a wish to be part of main-stream self-employment courses but there are three areas in which alternatives may be appropriate:

- (a) consultation and confidence-building activities, including assertiveness training courses and individual consultations, perhaps as follow-ups to self-employment awareness days,
- (b) deaf preparatory sessions to prepare profoundly deaf people for the concepts that will arise during the course, and,
- (c) open-learning materials, which may be particularly useful for disabled people who cannot get to training courses or whose daily routines makes course attendance especially difficult, or who wish to do a course at their own pace.

A booklet on what courses and facilities training providers offer for disabled people, with ready availability through a variety of sources. A flyer could advertise the booklet, and it should be made available to professionals and front line staff.

There should be *regular advertisements for courses and articles about self-employment* in disability and other media.

There should be an ability to signpost disabled people to reliable and comprehensive information on welfare benefits and self-employment. This sign posting could be incorporated into any one-stop shop development in the area.

There should be "Introduction to Self-employment" sessions to promote self-employment amongst disabled people. Awareness meetings should be held in traditional disability venues and successful self-employed people with disabilities should be encouraged to participate in them. The format would include a small exhibition, presentations from existing entrepreneurs, a welfare benefits overview, PACT facilities and Training and Enterprise Council training programmes. There should be substantial time for questions.

A self-administered questionnaire to help people think through self-employment issues should be developed.

A booklet about home-working should be produced.

A booklet giving information about the financial aspects of self-employment should be produced. Both the Employment Service and the Department of Social Security have expressed an interest in cooperating on such a project. It should include information on self-employment and its effect on welfare benefits, details of the schemes offered by the Employment Service and the TECs for which self-employed people would be eligible, and useful contacts.

There should be *independent monitoring and evaluation of actions taken*—for example, an outside agency.

CHAPTER 13 Germany

Erwin Seyfried

INTRODUCTION

In this study on self-directed employment we have evaluated the relevant data from the funding sources for employment for disabled people as described in the previous section. Particular attention has been paid to examining the significance of self-employment for the disabled people themselves.

Furthermore we have also made use of the results of a study we carried out on the spread and significance of so-called self-help firms or social enterprises for people with psychiatric disabilities, undertaken in 1990 and 1991 on behalf of the German Ministry of Labour and Social Affairs (cf. Seyfried, Melcop & Roth, 1992).

BRIFF COUNTRY OVERVIEW

The unification of East and West Germany in 1990 produced a combined population for the new Federal Republic of Germany of almost 78 million people, the largest population of any European state. Yet the country's surface area is relatively small, totalling some 357 million km². Thus Germany, with almost 220 people per km², is one of the most densely populated countries in Europe. Situated in the centre of the continent, it is surrounded by more adjoining countries than any other European state. The Baltic Sea in the north, the North Sea in the northwest and the Alps in the south form its natural borders.

As in other European countries its landscape is characterized by a varied countryside divided into relatively small areas, a climate which is largely well-balanced and mild and a strong cultural differentiation between the individual regions.

Economically speaking, Germany is one of the first and oldest industrial nations with a number of economically important urban centres. As in most industrial countries, the service sector has for some time now been increasing in its significance. In the formerly communist eastern part of the country considerable economic and infrastructural deficits exist, for example in the areas of transport and telecommunications, but also with regard to care for the handicapped. The state of the buildings, hygiene facilities and other material resources in homes, hospitals, schools and other institutions are well below the standards usual elsewhere.

In spite of eastern Germany's material backwardness and the economic difficulties arising from unification, Germany is still one of the economically strongest and richest countries in the world. The gross national product for 1994 totalled some US\$22,885 billion, the equivalent of US\$24,795 per person when applied to the population as a whole; the gross national product is thus well above the European average, even though enormous differences exist between east and west Germany. For whilst the gross national product per inhabitant for the western part equals US\$27,876 in the former communist part it is a mere US\$11,644. The situation is the same for the average monthly income per worker, namely US\$2,815 in the west, but only US\$2,027 in the east (according to figures for 1994).

The active working population in Germany numbers some 39,445 million people or 46.9% of the population, comprising 56.7% of the adult male but only 37.7% of the adult female population (figures from April 1993). The great majority of the workforce is in paid employment (91.9%). Slightly more than 3 million people are self-employed (8.1% of the working population). The majority of the population is still active in the industrial sector, followed by the service sector and retailing. Agriculture is practically insignificant.

The average level of qualification of the workforce is extraordinarily high. Almost three quarters of the active working population have state-recognized professional qualifications acquired after a period of vocational training lasting at least three years.

Some 3.6 million people are unemployed in Germany with an average unemployment rate of some 8%, although this figure is nearer 15% in the east. A higher-than-average rate of unemployment is to be found particularly among unskilled workers with no vocational qualifications.

Germany is a federal state, consisting of 16 relatively autonomous regions, or "Bundesländer," which pursue relatively independent policies in areas such as education and culture; specific regional programmes can also play a role in supplementing the national regulations. In addition the Federal Republic of Germany is also a member of the European

Union, which is of primarily economic significance, although also not without effects on the opportunities available to the handicapped, particularly in the vocational field.

INFORMATION SPECIFIC TO THE SITUATION OF THE HANDICAPPED

There are around 6.7 million people with some form of handicap living in Germany, that is approximately 8.4% of the total population, of whom 4.13 million do not work, either because of their age or the severity of their handicap. Almost half of the handicapped (48.7%) is over 65 years old and hence no longer of working age. A further quarter is between 55 and 65 years of age. These figures make clear that the majority of present-day handicaps are not caused by congenital disabilities or accidents, but are usually the product of chronic-degenerative illnesses or age-related "wear and tear." Thus the proportion of handicapped people in the total population in the age group of 15–25-year-olds is only 1.4%. Of particular interest is the fact that the proportion of mentally and psychiatrically disabled persons in this group is in the region of 43%.

According to the Disability Act of 1986 a disabled person is someone who displays a degree of disability of 50% or more, as determined in an official procedure carried out at the request of the disabled person. According to this law, disability is to be understood as the effects of an impediment of function which is not merely temporary and which is based on an "irregular" physical, mental or psychiatric state. Once a disability has been established the disabled person is then entitled to the support system connected with this law and which is intended to integrate the disabled person into work and society.

Some 1.2 million officially recognized people with disabilities currently work on the general labour market, that is 3.2% of the working population in paid employment. In December 1994 the figure for the number of disabled people who were unemployed in the western part of Germany was 155,560 people and another 19,650 in the eastern part. Companies have been tending to systematically shed the jobs of older disabled workers in particular.

There are currently some 130,000 people working in sheltered workshops; a further 30,000 people in the eastern part of Germany are still waiting for a place in a sheltered workshop. The process of construction of a comprehensive network of sheltered workshops is still under way there. The mentally handicapped represent the largest group of employees: they comprise some 80–85% of the total, followed by

the physically and multiply disabled with 10–15%. The remaining 5–10% of places are taken up by people with psychiatric disabilities.

The sheltered workshops in Germany demonstrate a number of structural characteristics which have proven to be somewhat unsuitable and disadvantageous, in particular for those people whose disabilities in no way affect their intellectual capacities. Thus the people who work in the workshops are not legally recognized as employees, they have no work contract to ensure their rights and duties and they are completely without any form of union representation. Their status is defined exclusively on the basis of their disability. This leads many disabled people and their dependants to look for alternative forms of employment.

1. Vocational Rehabilitation

Given the high qualification level of the workforce in Germany. vocational training plays an extremely important role.. In general vocational training — in as far as it takes place outside of universities is carried out according to the so-called dual system; the practical part of the training takes place in companies, whilst the theoretical part takes place in vocational or technical colleges. This system also guarantees that a large number of trainees are subsequently offered permanent employment by the companies once the training has been completed. In theory, disabled people should also be able to receive in-house vocational training in the companies themselves. The facts however indicate a different situation. Only about a quarter of the total number of disabled people receive vocational training in business enterprises, whereas almost three quarters are placed in institutions specifically for disabled people. Hence the prospects for permanent employment after completion of the training are correspondingly poorer for disabled people.

Germany has a comprehensive network of vocational rehabilitation facilities. Primary vocational training for young disabled persons is essentially provided by 47 regional centres with over 12,500 places. Other centres are directed towards the further education and retraining of disabled adults who for health reasons are no longer able to exercise their chosen professions. At present 28 regional institutions offer approximately 15,500 places. Most centres have been specialized to meet the needs of particular groups of people.

The Federal Institute for Labour which is responsible for all labour market programmes in Germany spends over US\$2,000 million per year for individual and institutional vocational rehabilitation. Most of this (90%) is spent on the individual subsidization of participants in training programmes.

2. Employment

Germany has long had a highly effective quota system which obliges all private and public employers with more than 25 employees to reserve 6% of their jobs for people with disabilities. For each reserved position not occupied by a disabled person the employer has to pay US\$130 compensation per month. The annual income of this compensation fund totals some US\$427 million (for 1994).

The public sector, with a disabled employment quota of 5.6% in the year 1993, has a relatively good record in comparison with private businesses, which on average have only 3.9% of their jobs taken by disabled people. Expressed in absolute figures, the public sector employs 330,400 disabled persons whilst the private sector employs 644,500. There are some 365,000 jobs which are foreseen by the statutory provisions have not been taken up.

Overall, the employment rate for disabled persons demonstrates a drastically sinking tendency, falling from 5.9% in 1982 to 4.2% in 1993.

The quota system has nevertheless played an important role in recent years in preserving jobs. In the years of structural economic crisis it has proven its worth for disabled people engaged in active working life. Without the quota regulations many more jobs for disabled people would have been destroyed. In comparison with this conservational function of the quota system its motivational function, i.e., the promotion of job creation, lags way behind. All the studies which have been carried out in recent years show that employers require additional positive incentives to actively create jobs — incentives which have been considerably increased in Germany over the past few years.

3. The Legal Framework for the Promotion of Employment for Disabled People

In Germany the money from the compensation fund for the unoccupied statutory jobs for disabled people goes towards the promotion of the vocational integration of the disabled into working life and in particular to the creation of new employment possibilities. Disabled people receive technical work assistance, assistance in furnishing and equipping accommodation suitable to their disabilities, or subsidies when buying a car, in order to be able to get to work. Employers receive financial assistance for investments, wage subsidies and subsidies for any additional assistance provisions specifically related to the employment of disabled people. The legal basis for this is the Disability Act of 1986.

On the investment level there is financial assistance available not only for disability-related investments, i.e., for technical adaptations, but also, and more importantly from the point of view of self-directed employment, for the creation of jobs for disabled people. Such subsidies

can be as high as US\$160,000 per job, in as much as the corresponding investments are required to equip the workplace. In the year 1994 approximately US\$51.1 million were paid to employers for the creation of new jobs or job training places for disabled people; this provided support for the occupational integration of 2,180 disabled people. A further sum of US\$54.9 million was spent on adapting workplaces and training facilities to disabled-specific requirements, benefitting a total of 8,129 disabled people.

These measures are supplemented by wage subsidies which can constitute up to 100% of the wage during the initial phase of a disabled person starting a new job. The norm is a subsidy of 80% of the gross wage during the first year, 70% in the second year and 50% in the third year of employment. These financial subsidies to the employer also entail the requirement that the disabled person should continue to be employed after the subsidy period has finished. Otherwise the subsidies have to be repaid. On average, 5,670 unemployed disabled people are employed with the support of this formula annually. However it must also be taken into consideration that the employment of disabled people can also be funded via other incentive measures (such as those in favour of the long-term unemployed).

An important addition to the temporary wage subsidies is the possibility for the employer to receive compensation payments for disability-related reductions in productivity outlasting the three-year subsidy period described above. In principle this possibility has no time limit, although in practice the actual performance and productivity of the disabled person in question are reviewed after two years at the latest and the funding sum adjusted accordingly if changes are found to have occurred. In 1994, a total of US\$45.9 million were spent on this type of subsidy with 7,322 jobs for disabled people receiving funding in this way. This type of subsidy has shown itself to be an appropriate way to secure the jobs of disabled people, particularly at a time of economic crisis. The extent of this type of subsidy has risen considerably in recent years.

On the level of assistance services provided specifically for disabled employees, such as a sighted person employed to help a blind person, business enterprises can also receive financial subsidies in order to compensate for the disability-related additional expenditure incurred in the supervision of the employee. These funding options are also unlimited in principle, although here too the necessity of and time taken up by such assistance services undergo regular revision. State expenditure for such services has also risen sharply over recent years: from US\$13.8 million in 1991 to US\$45.9 million in 1994.

The above-mentioned financial subsidies for the occupational integration of disabled people are available to all business enterprises, i.e., also to public-sector services and offices, as well as to disabled and other people who wish to be self-employed. The decisive criterion for financial support is the creation of regular employment for disabled people.

Germany thus has at its disposal a wide range of instruments for the funding of employment for persons with disabilities. This range of funding options means that there can be no financial reason for not employing an increased number of disabled people. The reason why there has been no such increase must lie elsewhere, since the funds which, thanks to the quota system, have accumulated in the compensation fund, are more than adequate to this end.

The occupational integration of the disabled also receives funding from the European Union. The European Social Fund (ESF) annually makes some US\$280 million available to the 12 member states for this purpose; some 50,000 people throughout the whole of Europe profit from this funding annually. Approximately US\$26 million of European Social Fund money goes to Germany every year, being spent mostly on innovative local projects, which, for example, may be developing training and curricula in the field of new technologies for specifically-defined groups of disabled people, or providing occupational qualifications for groups otherwise neglected in the context of mainstream rehabilitation (such as people with autistic disabilities or epilepsy).

INNOVATIONS LEADING TO SELF-DIRECTED EMPLOYMENT

1. Self-directed Employment

Disabled people in Germany who want to become self-employed can receive financial support from the money collected in the compensation fund. And yet the financial assistance granted to disabled people in the form of self-employment support has remained at the same low level for years. In 1994 the corresponding state subsidies totalled a mere US\$2.3 million, providing support for 221 disabled people.

The number of small (self-employed) businesses with viable economic prospects which have been created is small indeed. The proportion of unsuccessful projects — for which no statistics are available — is, in our experience, quite considerable.

2. Social Enterprises

All the greater then is the significance attached to those initiatives which have for a number of years been taken by non-governmental

organisations (NGOs) for the creation of employment for disabled people in social enterprises. The overwhelming majority of social enterprises have been created for people with psychiatric disabilities, since this is a group which has continually been rejected both by sheltered workshops for the disabled and by normal firms.

The NGOs have been able to use the concept of the social enterprise to combine the legal possibilities for employment funding for disabled people which already exist in Germany in such a way that it has led to a systematic approach to occupational integration and the creation of regular, yet suitably adapted, jobs for the disabled.

3. General Characteristics

Vocational integration normally means that disabled persons are integrated into already existing firms. With social enterprises the problem of integration is solved the other way round: a firm is set up with jobs for disabled people where non-disabled people are also employed. However, this is not the same formula as for the sheltered workshops. In contrast to sheltered work, the purpose of the social enterprise is to guarantee their employees the status of normal workers, securing employment by a regular working contract which is in accordance with the corresponding wage agreements and which enables the employee to be self-supporting.

Thus the social enterprises are not sheltered institutions, but form part of the general labour market and of ordinary working life. Their mode of functioning is largely independent of the social services, their constituent network is the world of the economy. Nevertheless the identity of the social enterprise is two-fold: in respect to their general status, they are just like other enterprises, they hold their own on the market. In respect to their internal objectives and structures they are different. They are social enterprises. In view of the integration of persons with disabilities, they have some very specific social objectives, which they are able to pursue thanks to the assistance from the compensation fund described above, assistance which is however available to any company. That is to say that the social enterprises are not subsidized as an institution, but as a business employing regular labour.

In Germany, we primarily find social enterprises in which persons with disabilities and non-disabled persons work together. The practice of working together first serves an integrative function, which is to prevent the ghettoization of the social enterprise and their becoming new institutions of exclusion. Secondly it also has an economically stabilizing effect on the enterprise as a whole, since many of the disabled workers are only capable of a reduced level of productivity and the state subsidies can only compensate for this to a limited extent

in practical day-to-day working. These mixed enterprises can usually produce more qualified work, allowing them to charge better prices and thus to survive on the market. Furthermore all the workers have the chance to extend their areas of competence.

4. Areas of Employment and Employees

In the following section I would like to give an overview of the type and duration of employment in social enterprises as well as the various areas of employment and enterprise sizes.

At the beginning of 1994 there were some 115 of these social enterprises in Germany providing employment for 2,333 people, 1,248 of whom were disabled people with a permanent job and a regular working contract, thus permitting the workers to earn their living completely independently; a further 564 non-disabled people were also employed under the same conditions. The other 422 jobs were also taken up by disabled people, although here in the guise of additional income workers. The ratio of disabled to non-disabled employees thus averages 3 to 1. The additional income workers are primarily dependent on public financial support (social security payments or pension) and use their job to earn some extra money. Another important factor with these jobs is that they also offer the opportunity of structuring daily life and making social contacts that come not via shared disability, but via cooperation and shared work.

Furthermore these additional income jobs can sometimes be seen as a form of niche employment with highly reduced work requirements for people with reduced working ability, but also — for people with other disabilities — as a transitional job in the rehabilitational sense, permitting a gradual development of qualifications towards regular employment conditions.

These results can be generalized in the following way: although the social enterprises primarily offer long-term employment opportunities for their workers, they also function as vocational rehabilitation workshops. This tendency is reinforced by the fact that more and more social enterprises have in recent years begun offering vocational training on a systematic basis. The motivation behind this is partly to provide further training for the enterprise's own workforce, given that almost three quarters of the disabled employees have not completed any form of occupational training. It is also based on the idea of offering practically-oriented occupational training for disabled people in a suitably adapted environment. Thus the otherwise usual train and place models have been replaced by a concept which could be described as rehabilitation-on-the-job. Instead of the emphasis in the occupational integration of disabled people being placed solely on the passing on of

skills, this concept also undertakes in a parallel and corresponding way to adapt the working conditions to the requirements of the disabled people. Thus the process of occupational integration takes place in social enterprises not as a one-sided adaptation of the disabled people to the given circumstances, but in a field of dynamic exchange between changes in the working environment and changes in the individual, whereby the existence of the social enterprise itself already represents an aspect of this adaptation of the working environment to the needs of the individuals concerned.

Almost a quarter of the social enterprises are active in the industrial assembly sector, with the main emphasis on metalwork and the assembly of electronic components. However, compared with the total number of workers employed, the industrial sector employs almost half of all disabled people working in social enterprises. Some 20% of firms are active in the retail trading sector, followed by skilled manual trades (such as carpentry, plumbing, etc) and other services (such as catering) at 15% each. The largest social enterprises, with an average number of employees of just under 30, are to be found in the industrial sector. The largest firm, which employs nearly 100 people, is also active in this sector. Most other social enterprises however are relatively small. Their motto would seem to be "small is beautiful": some 40% of the firms employ less than 10 workers, with the majority of firms employing between 10 and 20 workers.

Altogether the social enterprises offer disabled people a broad spectrum of employment opportunities in different branches of the economy. In the service sector new areas of activity for disabled people (e.g., in the area of new technologies) have been created, which up to now have been under-represented in the range of work offered by the traditional institutions for disabled people. Recent years have seen the emergence of a clear trend towards professionalisation, away from the "dirty jobs" towards established and economically viable trades and professions.

If we consider the length of time the disabled people are employed in the social enterprises, it becomes clear that the social enterprises do not only satisfy the need for long-term employment opportunities, but also function as vocational transit stations. Our studies show that almost 50% of the disabled people employed in the social enterprises left their jobs over a period of five years. About 40% of the former employees started work on the general labour market in other regular enterprises, a further 15% left for further vocational training. A small percentage — 5% — left to go to sheltered workshops, whilst a large number of persons — nearly 20% — moved into pensioned retirement. The drop-out rate was also about 20%.

The gross monthly wage of a disabled employee working full-time in a social enterprise varies considerably according to firm and sector. The average is around US\$1,750, which is somewhat below the average monthly income of wage workers in Germany, although this probably has less to do with the productivity of the disabled workers or the funding situation than with the fact that there still exists a partial lack of economic professionalism in some of the enterprises.

CASE ILLUSTRATIONS

Lebenswelten

A Berlin-based association which sponsors a whole chain of social enterprises, including a firm providing computer and data processing services, a whole grain bakery, a health food shop, a gourmet restaurant, a canteen in a scientific centre and a large electronics firm. Together these firms employ some 50 disabled people and around the same number of non-disabled employees.

Initial investments and current running costs were subsidized using the funding options described in an earlier section. In addition the business management concepts were developed in cooperation with (state) economic consultancy organisations.

The whole grain bakery founded in 1983 was the association's first firm, initially employing four disabled and five non-disabled workers. From the very beginning this bakery experienced continual growth, which required increasingly effective working procedures, a consistently high product quality and professional marketing. Today the bakery supplies more than twenty sales outlets and itself owns three shops and two production units. The number of disabled people it employs has doubled.

At the beginning the bakery was run cooperatively, with all employees sharing the same degree of responsibility and equally entitled to decide in all questions relating to the bakery. However, the extent to which the employees made use of these opportunities varied considerably, and as the enterprise grew in size it became increasingly necessary to organize a number of separate areas of responsibility, making comprehensive transparency for all employees more difficult.

The growth of the firm and the economic professionalisation which took place under the pressure of market forces has made it necessary for the association to arrange for basic and more advanced occupational training schemes for the employees. All the social enterprises in the association now have accompanying occupational training options in the relevant areas of work, something which has contributed considerably to the economic stability of the firms.

Now the bakery has become an independent limited company, as have all the other social enterprises in the Lebenswelten association, which functions as sole shareholder. The individual firms are thus largely autonomous in the individual matters of their day-to-day work. The association, as owner, ensures that the firms keep to their fundamental objectives, i.e., the employment of disabled people, as well as acting as controlling body for the management of the firms.

From the point of view of self-directed employment it is of particular interest that the firms' employees are often also members of the association, although there is of course no obligation in this direction. In principle however the membership in the association gives every employee the possibility of exerting influence on the association's decision-making bodies and hence also on the management of the individual social enterprises.

All workers are in possession of regular contracts of employment and the wages in all the firms correspond to the agreed regular rate for the job in the respective sectors.

In appearance the social enterprises are indistinguishable from other, regular enterprises. The fact that the majority of employees are disabled is not mentioned in the public presentation of the social enterprises, although this is of course no secret to many of the customers. Nevertheless, the external representation of the social enterprises is conducted according to the motto as normal as possible, based on the idea that customers' purchases should be motivated not by sympathy or charity, but by the quality of the products and services. This confident attitude which the entire firm displays is continued in the employees' view of themselves as no longer primarily people with disabilities, but as employees, just like other workers in any other firm.

CONCLUSIONS

Although social enterprises represent local answers to the labour market problems of disabled people, the history of their growth throughout Germany cannot be understood without referring to the connecting aspect of their self-organisation. The first steps towards an exchange of information and experiences and mutual support between social enterprises in Germany were taken early on in their history. This was the context which from the very beginning gave the NGO workers the courage and the energy to put into practice their idea of economically viable social enterprises for disabled people — a project deemed unrealistic by many. These contacts between the social enterprises led in 1985 to the creation of a national umbrella organisation by the name of FAF, and to the setting up of a counselling service, sponsored by

the organisation, for the creation of social enterprises. This service has been able to collate the experiences made hitherto, and pass this information on to interested parties. As a consequence this counselling service has made a substantial contribution to the growth and economic professionalisation of the social enterprises in Germany.

Counselling deals primarily with economic questions, as well as with matters relating to subsidy regulations and taxation, i.e., questions of liability and legal form, investment, turnover and sales planning, marketing, calculating the number of jobs to be created and, last but not least, subsidy applications.

With regard to the strategies which have proven to be economically successful, we can distinguish between three different types of social enterprise. One group of enterprises have successfully exploited a special opening in the market in the skilled manual trades, retail or service sectors (such as whole grain bakeries, restaurants, etc.). A further group have built up partnerships with larger industrial concerns which they supply on a continual basis. Finally there are those enterprises which operate within closed markets (such as canteens or cafeterias in public buildings).

Altogether social enterprises offer a differentiated spectrum of work and vocational training opportunities for disabled people. A whole range of new areas of work for disabled people has been opened up, including in particular work in the expanding service sector and in the field of new technologies. In many cases these opportunities lead to successful integration into working life and independent living, whether via long-term employment in the social enterprise itself or via a changeover into other enterprises. Yet the income of the disabled employees is unsatisfactory in some places and the degree to which the disabled people are able to participate in important decision-making processes varies strongly.

A cost-benefit analysis which was carried out in the context of the above mentioned study showed that jobs for disabled persons in social enterprises are considerably cheaper than places in sheltered workshops, even though the social enterprises made use of all kind of public subsidies which are available to support the integration of a disabled person into a job in the general labour market. Overall there can be no doubt that financially subsidized employment for disabled people on the general labour market, whether in social or in other enterprises is a realistic and cost-effective alternative to sheltered employment.

In the meantime these forms of adapted employment for disabled people in social enterprises can be found in growing numbers throughout almost all the countries of Europe. In 1990 the NGOs which sponsor this type of firm themselves united in a European network organisation called CEFEC (Confederation of European Firms, Employment Initiatives and Firms for the Disabled). The network's annual conferences provide the opportunity for an exchange of experiences and information, and the organization has successfully been able to articulate common interests with regard to the promotion of the occupational rehabilitation and integration of the disabled in its dealings with the European Commission, the decision-making administrative body of the European Union. European funding programmes for the disabled had previously been directed far too much towards vocational training alone, with the aspect of employment receiving insufficient consideration. CEFEC's lobbying has already achieved its first successes at European level. The European Commission has now started a special programme called "Employment: HORIZON," which provides support for the occupational integration of disabled people in the twelve member states of the European Union to the sum of approximately US\$150 million per year.

The quota system for the employment of disabled people as practised in Germany, and in particular the stipulation that the money in the compensation fund can only be used for the purpose of the occupational integration of the disabled, has led to an extraordinarily positive legal and financial framework for the creation of adapted and self-directed employment for disabled people. There are no problems of access to the funds, given that the funding principles and preconditions are legally regulated. In the past decade this funding has increasingly been used for the foundation of social enterprises, and only rarely have individual disabled people used the funding in order to become independently self-employed.

Whilst social enterprises primarily serve the purpose of providing employment for disabled people, they nevertheless should not be considered as segregational institutions. Both in their internal structures and their external face the social enterprises embody the idea of normality and the objective of integration.

The fact that the social enterprises in Germany pursue the aim of being as normal as possible, both externally and internally, and of holding their own in the market, means that the occupational qualifications of their employees play a decisive role. The result of this has been the creation by the social enterprises of new connections between rehabilitation, training and employment for disabled people, at the same time as linking economic and social objectives with each other in a new way.

An important factor for the practical realisation and growth of these new approaches is the way in which the social enterprises themselves have created structures for mutual support and the representation of common interests in the form of political lobbying. At national level

this task is fulfilled by the FAF association, whilst the CEFEC confederation is active at European level.

There is still room for further improvement as far as the social enterprises are concerned, particularly with regard to the quality of the working conditions of the employees. Bearing in mind the idea of self-directed employment, this would primarily mean gradually and systematically introducing disabled people to management and leadership functions. Perhaps an exchange of experiences at international level can provide the necessary impetus for the relevant training to be carried out and for the results to be put into practice.

-Yukiko Oka Nakanishi

BRIEF COUNTRY OVERVIEW

Japan is located to the east of the Asiatic Continent and between the Pacific Ocean and the Sea of Japan with the general shape of a crescent and extends 3,000 km from tip to tip. As an island country, it has culture which has not been influenced much by other countries for many centuries.

It consists of the four principal islands and more than 3,000 smaller islands. Japan lies within the north temperate zone. Although the climate differs from region to region, most of Japan enjoys a temperate, oceanic type of climate with four distinct seasons.

Most of Japan's land is covered with forest and about 67% is mountainous. Agricultural land is 15% and residential 3%. Due to several volcanic ranges running through the country, considerable volcanic activities have often caused earthquakes as well as extensive damage.

There are 47 prefectures in Japan, one of which is Tokyo, the national capital. The number of municipalities is 3,255 which are within these prefectures. Prefectures and municipalities are local self-governing bodies. Each ministry and agency of the national government has considerable influence over the policies of local governments through the issuance of guidelines and allocation of budget.

Japan has a population of 120.75 million in 1985, in which those of 0–14 years old is 21%, 15–64 is 68.2% and those 65 and over are 10.3%. Approximately 70% of the nation's people live on the coastal plain between Tokyo and the northern part of Kyushu due to mild weather and the most highly developed transportation system and industrial facilities. Advancing industrialization has been accompanied by a population shift toward the large cities and a remarkable population decline in the agricultural areas. The rural population accordingly

becomes less than 10%. Urbanization throughout Japan makes most of the localities look alike.

The number of person with disabilities in 1987 is estimated to be about 4.2 million: 2.6 million with physical disabilities, 0.4 with intellectual disability and 1.2 million with mental illness. It should be noted that physical disability by the government definition also includes visual disability and hearing and speech impairments.

As a result of long-term expansion starting in 1986, current tightened domestic demand indicates the coming of a depression. In GDP, the tax revenue is 30.6%, Japan's unemployment rate which was 2.0 in 1980 became 2.1 in 1990.

The unemployment rate in case of persons with physical impairment as of 1987 is 70.3 %. The reasons of unemployment are severe physical disability (34.3%), old age (26.9%), sickness (19.2%), engagement in house work or school (5.5%), looking for a job (4.1%), no relevant job (3.2%) and others.

The government's policy on economic development is mainly dealt with by the Ministry of Finance, the Ministry of International Trade and Industry and the Economic Planning Agency. However, no disability related measures except tax exemption and development of technical aids is implemented by them. All the other major measures concerning disability come under the ministries concerning employment, education and health and welfare. The Prime Minister's Office has the Headquarters for Promoting the Welfare of Disabled Persons which aims at close co-ordination of the activities of the relevant ministries and administrative organizations as well as comprehensive and effective promotion of the policies concerned.

The responsibilities of the Ministry of Health and Welfare cover disability prevention and rehabilitation, home-based services for disabled people and the supervision of institutions. The Ministry of Education promotes education for all children with disabilities based on a special education concept. The employment of disabled persons is the task of the Ministry of Labour, which includes vocational rehabilitation and job security. The Ministry of Transportation is in charge of accessible transportation systems. The Ministry of Labour provides employment promotion services through the Law for the Employment Promotion of the Disabled, the Employment Countermeasures Law, the Employment Security Law and the Vocational Training Law.

The quota employment system is stipulated in the Law for the Employment Promotion Etc. for the Disabled, and requires 1.6 employment rate of persons with physical, intellectual and psychiatric disabilities for private enterprises, 1.9% for special juridical persons and 1.9% for work-site operation and 2% for clerical work of the national

government and municipal offices. However, the system has not been fully implemented yet in spite of the provision of encouragement grants and aids to the employers. The attainment rate in 1991 is 1.32% in private enterprise, of which 48.2% meet the requirement; 18.7% is special juridical persons, of which 18.7% meet the requirement; and 2.17% in work-site operation and 1.9% in clerical work of public bodies.

As a result, levies imposed on those who do not meet the ratio have accumulated as a fund to be used exclusively for the establishment of employment promotion measures. If the organization exceeds the quota, an adjustment allowance is provided.

There are various working opportunities for those who cannot be employed in the competitive labour market. A sheltered workshop offers factory, dormitory and rehabilitation services to disabled people. Self-employment is popular among those who have difficulty in finding a job. They often end up with very small scale businesses with a minimum amount of income and no extra staff.

Persons with extensive disabilities are usually accepted by small-sized sheltered workshops which function as rehabilitation institutions aiming at vocational independence. They do various types of jobs, ranging from work subcontracted by companies to projects committed to local public bodies. Their average wage is usually too low to sustain their standard of living.

APPROACHES TO PROMOTING EMPLOYMENT

One of the most effective approaches to promote employment is research and development of prosthetic appliances and various aids. Social welfare offices provide such appliances as artificial limbs, braces, manual and powered wheelchairs, urine receptacles, crutches, white canes, braille tools and artificial larynxes and aids including typewriters and special tape recorders and timers. The availability of speaking personal computers and optacons, for example, enables persons with visual impairment to get jobs at universities/colleges as teaching staff and offices as office workers.

The powerful enforcement of the Law for Employment Promotion Etc. of the Disabled is also regarded as an effective measure to promote employment. The Ministry of Labour recently started to take strong action against major enterprises who failed to achieve their employment quota. Since their names were announced in public, many of them who had chosen to pay the levy rather than hiring disabled people gradually reviewed their attitudes and altered their employment policy.

Other major affirmative action initiatives are: the priority in operating kiosks in public facilities and tobacco shops, purchasing items

produced by disabled people by public organizations, the availability of subsidies for adapting cars for employed persons with physical disability, loans for starting a new business and the provision of grants for improvement of facilities and equipment installation and for covering a part of the wages of employees with disabilities.

In general, the aforementioned approaches do not effectively function as expected to raise the employment rate of disabled people.

It is partly because neither disabled people nor society in general are ready to be employed as well as employ. This lack of readiness originates in the current segregated special education policy of the Ministry of Education. As a result, disabled people are made unsociable and less competitive in the protected environment. Society is also made unaware of the needs of disabled people.

It becomes quite common to find classified ads for disabled people in newspapers these days. The condition is often imposed on them. Private enterprises only want disabled people who can commute using public transportation. Many major cities have issued city ordinances in the last few years to increase accessibility of public places, however, the number of train and subway stations with an elevator as well as public buses with lifts, is small. A national law on accessibility is expected to be enacted soon.

INNOVATIONS LEADING TO SELF-DIRECTED EMPLOYMENT

If persons have either extensive physical or intellectual disabilities, the only option they have right now is to seek sheltered employment. Neither appropriate means to commute nor a formal assistance system to get accustomed to the work assigned can be found. They are just satisfied with a small amount of wages received from the workshop, because the income security system for them is well established with the provision of the Disability Basic Pension, various allowances and subsidies. As a result, the number of welfare workshops with accommodation and rehabilitation services and small-scale sheltered workshops is increasing yearly.

Under the existing conditions, it was very difficult to find innovative approaches to income generating projects. The projects which adopted the approaches worthwhile to study are found in self-employment. Since disabled people have difficulty in finding jobs, many who want to contribute to society turn to self-employment. But no needed staff can be hired and they get wages lower than average. Self-employed people often end up with very small businesses since the public assistance system functions a little. They can not develop the businesses.

A common approach for the promotion of the employment of disabled people is sheltered workshops. There were approximately 3,000 small-scale unregistered workshops according to the survey done by the National Liaison Committee of Work Centers. Many negative factors had been pointed out concerning the concept of sheltered employment; i.e., the lack of attention to the desire of disabled people for social integration, underpayment for the work and a low standard of achievement to discourage self-esteem. Some of them however, have innovations to enhance income generation of disabled people.

CASE ILLUSTRATIONS

1. Atelier Tomo

The Atelier Tomo was a small-scale enterprise in Kunitachi city run by Mr. Tomohisa Fushimi who is a quadriplegic due to an injured spinal cord. He manages his business of typing, proofreading and layout by himself without hired staff. Three persons with extensive disabilities were subcontracted for supplementary typing work.

His business began when a sheltered workshop announced it was closing its printing section in 1990. Tomohisa, one of the section staff, did not want to stop typing. The Atelier Tomo was established as a one-man company when he was in his early forties. His aim was to earn a living subcontracting typing work to others with disabilities who also had been discharged; to develop his own printing skills and to participate in society through the management of the company. As he received a disability pension from the national government and a personal allowance from the city, he did not care that the new business would earn only a little amount of money. The establishment of this company made Tomohisa financially independent and opened a way for independence for the three subcontractors.

Strategies used for the business development were to lease a computer, share the cost for advertisement with another company, provide on-the-job training of subcontractors, organize a network with printing companies and work with a business firm which negotiates for orders on his behalf.

A leased computer was better than purchase in terms of corporate tax. Since computer technology improves yearly, he could carry out the work more efficiently with the latest and most sophisticated computer.

A company owned by his friend with a disability, who had been supporting Atelier Tomo, was allowed to share advertisements in the form of payment. It enabled him to save money and energy. Advertisements were posted in letter boxes in the community.

Subcontractors were persons with extensive disabilities who had a word processor/personal computer and a fax machine at home. In the beginning they were asked simply to type, they gradually did more complicated tasks following Tomohisa's instruction. The subcontractors are sufficiently busy. They could have their own offices if they wanted.

One day he responded to the first request of assistance made by another similar company. They were satisfied with the quality of his work. It led to the formation of a network of six small- and medium-sized printing companies, his included. Cooperation with the other companies aided greatly in running the business.

Tomohisa also arranged for a business firm to obtain work for orders, meet customers and deliver the completed work. He was not bothered by the negotiation with customers and could concentrate on his work.

Among the strategies, an element that had a positive impact on his success was the decision to mainstream his tasks. He divided the duties between himself, the business firm and the subcontractors. It was hard for a person in a wheelchair to visit each customer's office, some of which were inaccessible. Typing was no longer his responsibility, as subcontractors did the typing in order to improve their skills as well as to concentrate on proofreading and layout.

With his technical and managerial skills, it was possible to expand the business. He liked to work but had no intention of hiring more staff or making more money. His present earnings were enough for his household and his deteriorating physical strength was one of the major reasons he did not work harder or become busier.

2. The Independent-living Center

An independent living proram was run by the Human Care Association in Hachioji City — this was the first independent-living centre in Japan. The program was very successfully organized, aiming at the provision of support services; including personal assistance for independent living for persons with extensive disabilities, the enhancement of their social status by advocating for their human rights and the basic change in the social welfare system through the provision of services by disabled people themselves.

There were 11 female and four male staff, the majority had graduated from university or college. Eight of them had been employed in competitive work places as full or part time workers. Among the staff, five were quadriplegic and four were paralyzed in a lower limb. Their salaries were paid from a subsidy provided by the Tokyo Metropolitan Government and Hachioji City and from the profit from such income generation activities as paid personal assistant dispatchment service.

independent living skill training, peer counselling, overseas independent living training and publication of books on independent living.

The program was initiated in 1986 to protect the right of disabled people in a day care centre to live independently in the community, after the steering committee conducted a survey and identified the needs of support services in the community. The Human Care Association could be started due to the financial support of the steering committee and community members in spite of the objection to the city office.

In order to promote the independent living movement, it was decided that the majority of the board members and the head of the office should be disabled people. It had two kinds of membership; service users who have had various kinds of disabilities or were elderly, and care staff who provided personal assistance services. The services provided by the Association included personal assistance, independent-living skill training, peer counselling, peer counsellor training, parent training and overseas study/training.

The staff with extensive disabilities mainly took responsibilities of organizing such courses as independent-living skill training, peer counsellor training and parents training and offering peer counselling. Working for the Association, all the staff with disabilities had received a salary for the first time. More than 30 disabled people who had been trained by the Association as peer counsellors and office staff also receive a salary from the independent-living centres established throughout the country. With a regular salary, many were making a livelihood and felt self-respect.

Key strategies used to enable disabled people have gainful employment were the ensuring of revenue by various subsidies and grants and training of disabled people to take initiatives in the Association's decision making.

Awareness of disability concerns was promoted in the metropolitan and city governments in order to get their continuous financial assistance, since the revenue from the Association's activities and membership fees covered 13% of the expenses. Advocacy through mass media to change the national social welfare policy came to give impact on them. Funding support of the foundations through the establishment of good relationships with them and increased membership by mounting posters and distributing handouts were also needed. Various grants of the Japan Association for Employment of the Disabled were also utilized.

Staff with disabilities were often recruited from those who had visited the Association to participate in various training sessions. Once employed, they were given such training as advanced peer counsellors,

overseas training trip, DPI seminar/meeting, training of leaders of independent-living centres, in addition to on-the-job training.

Being aware of the needs of the service users with disabilities, the staff with disabilities could design an independent living program to exactly meet the individual needs of personal assistance and training. It was proved that skill training with a disabled instructor or independent-living centre had been far more effective than similar training courses organized by professionals from rehabilitation centres. The other independent-living centres followed the same pattern of organized training.

At the same time, management by staff with disabilities also had negative aspects. Their lack of managerial experience led to inefficiency and troubles and resulted in failure to prepare the necessary papers and materials for the application to the fund and other administrative procedures. DPI-Japan and the Japan Council on Independent-Living Centers (JIL) were likewise still too weak to influence policy makers and many local cities did not yet support the activities of the independent-living centres. AS a result, the staff of other independent-living centres were often forced to work as volunteers or with only a small salary.

3. The Asunaro First Workshop

The Asunaro Independent-Living Activity Center for Disabled Persons, was a community-based workshop established by a person with cerebral palsy (CP) in Atsugi City, Kanagawa prefecture. In Atsugi and surrounding areas, it aimed at increased opportunity for social participation of persons confined to home due to severe disability by provision of assistance to expand their living sphere and improve the quality of their life.

There were three paid staff including one with CP and 16 other workers with disabilities. The majority of the workers had 6–9 years of formal education and were between 45–54. Eighteen of them had been employed in the formal sector as full time workers. Two were brain injured, three had CP and the rest were hemiplegic due to strokes.

Trainees with disabilities in a rehabilitation centre in Atsugi had no option other than to return home after their training was complete. Together with a social worker at the centre, they formed a social group named Asunaro in 1980. Saving money by selling handicrafts produced by the Asunaro members, Mr. Akira Tamai established a sheltered workshop by late 1980. The workshop produced natural soap made from used cooking oil, did light work by having contracts with a big businesses, organized bazaars of recycled goods and sold handicrafts. The workers received only pocket money due to the limited revenue

and staff received an average salary. The workers appointed as heads of the Asunaro's other projects, e.g., the Second Workshop, could become financially independent. It was expected that more workers would come to obtain an average salary by implementing new projects according to the various needs of the community.

The strategies used were the formation of the Kanagawa Association of Community Workshops, the recruitment and training of volunteers and organization of recreational activities.

The Kanagawa Association of Community Workshops (KACW) was established to strengthen such activities as the sale of the workshop products at the Association's store, the organization of staff training for the workshop management, the exchange of information and the negotiation with the prefectural government for the improvement of supporting measures, i.e., financial support and prefectorial procurement of their products.

The trained volunteer could cover the shortage of staff. Their manpower was very valuable due to the limited budget. They were mainly recruited from a word processor course conducted regularly for community members to increase their awareness. The workshop workers and a volunteer from a computer company were the instructors. The workers who taught could earn income through this course.

The centre had many members with extensive disabilities who were forced to be homebound. The recreational activities including summer camp, cherry blossom viewing and grape gathering provided an opportunity to introduce them to the centre's income generating activities and encourage them to participate.

As for the effectiveness of the strategies, the KACW functioned well to help the workshop increase revenue. It was well managed with financial assistance from the prefecture and a hired full time secretary. It was expected to be a tool to strengthen the workshop's ability to enhance income generation activities. The inclusion of volunteers to the workshop activities was the only option to cope with the limited budget. They were, however, less reliable than the paid staff in terms of regular attendance and undertaking responsibility. The recreational activities could not expect outcome in the short period of time, since the problems of inaccessible transportation to be used for their commuting was not solved yet.

CONCLUSION

Job seekers with disabilities can be easily employed by big enterprises because of the powerful implementation of the Law for the Employment Promotion for the Disabled, if they are young and have a means of commuting. Although their salaries vary according to the kind and extent of the disability and the level of education and vocational skill, they can enjoy a standard of living due to well established social security system of the companies. The other seekers should choose more feasible alternatives of self-employment or sheltered workshops.

Sheltered workshops are mainly established by an organization of the disabled person's parents, teachers or disabled persons themselves. There are various types of sheltered workshops in Japan; residential and non-residential workshops which provide both training and jobs, welfare workshops for those who have difficulty working in the formal sector and unregistered, voluntary small-scale workshops which are not based on any laws but can receive subsidies from local governments. The last ones are the biggest in number and are economically vulnerable.

Disabled persons are put in the custody of their parents and teachers who supervise workshops, regardless of the type of workshop, except when run by a person with a disability. The management of sheltered workshops by persons without disabilities tend to be efficiency oriented. The success of this kind of workshop is measured according to the amount of work accomplished or income earned.

Disabled people who serve as workshop heads often consider a sheltered workshop as a part of the self-help activity. The community-based workshops are usually small in size and provide a certain amount of freedom. Even recreational activities are used as a strategy to motivate the workers with disabilities to actively participate in society. They can also raise community awareness. There is room in this kind of workshop for the development of innovative approaches to employment as in the case of the Asunaro First Workshop.

If the self-help concept lays emphasis on managing sheltered workshops, an independent-living centre coming out of the self-help movement, is better from the viewpoints of income generation and impact on disabled people. One of the strategies adopted by the centre is the grants under the Law for the Employment Promotion for the Disabled. The centre is regarded as a business which is entitled to receive them. Since the number of disabled people is increasing due to rapid aging in Japan, the centre should be developed to meet the emerging needs.

Some sheltered workshops, therefore, have been inevitably turned into independent-living centres. Persons with extensive disabilities were treated as mere workshop workers and did light work geared to their minimal abilities. But it is not difficult for them to utilize their own experiences of independent living as paid peer counsellors in the centre. Disabled people do not yet realize independent-living centres will pay for the independent living skills they have acquired. In the near future,

it will be a popular strategy of income generation in sheltered workshops to adopt the concept of independent-living centres.

Self-employment is the most suitable form of employment for those who have transportation problems, architectural barriers or inability to care for themselves thought the working hours. Tomohisa's enterprise was successful because he had objectively evaluated his capability and the market potentials. He chose appropriate strategies based on this evaluation.

It is regarded as an ideal method of employment in highly industrialized societies because people are allowed to control their own hours and to use their time and strength efficiently. However, as in Tomohisa's case indicated, it is not recommended for disabled people. They should seek job opportunities in competitive work places by making demands for accessible public transportation, barrier-free working environments, a subsidy to hire personal assistants and equal wages. If not, their feelings of stimulation and fulfilment will fade away. They easily become as isolated as those working in sheltered workshops.

CHAPTER 15 The United States

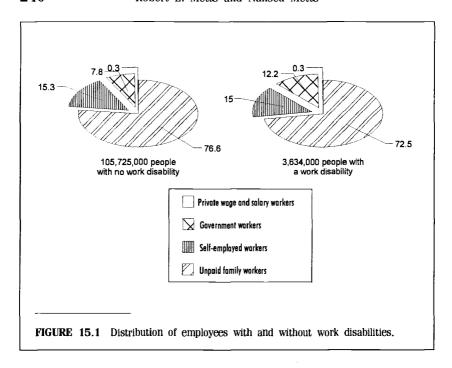
Robert L. Metts and Nansea Metts

INTRODUCTION

This paper presents the results of research designed to identify and describe strategies in the United States that support self-employment for disabled people. Following a very brief description of the labor market circumstances faced by disabled people in the United States, the authors will describe and analyze the existing national self-employment strategies for disabled people sponsored by the United States Federal Government. Then the results of a national survey conducted to identify and describe the existing local, regional, and national self-employment strategies for disabled people in the United States will be presented.

BRIEF OVERVIEW

Current national data on employment and disability in the United States are scarce. However, existing 1988 data suggest that Americans with disabilities are much more likely to be unemployed than Americans without disabilities. According to the U.S. Dept. of Commerce, in the United States during the period between 1981 and 1988, disabled people were less than half as likely to be in the labor force than people without disabilities (31.6% of disabled people vs. 78.9% of people without). Of those in the labor force, the unemployment rate for disabled people was over twice the rate for people without disabilities (14.2% of disabled people vs. 5.8% of people without). Also, disabled workers earned, on average, only 64% of the average salary of non-disabled workers (U.S. Dept. of Commerce, 1989).



The root of the employment problem may be at least partially revealed by a survey of American business executives conducted in 1988 which concluded that, "job discrimination remains one of the most persistent barriers to the increased employment of disabled people." The survey also revealed that only 37% of the companies of the executives surveyed had established policies or programs for hiring disabled employees. It concluded that employers give the hiring of disabled people a lower priority than the hiring of people from other minority groups and the elderly, and that the disabled people are the least likely to be viewed as an excellent source of employees (International Center for the Disabled, 1987).

It is expected that the 1990 enactment of the Americans with Disabilities Act (ADA) has begun to improve the employment prospects for disabled people. However, though the ADA has most assuredly increased employer awareness of the issue of employment and disability, the current professional debate on the ADA reveals that there is a widespread perception that the ADA has not led to a significant increase in the rates of employment for disabled people.

Who do successful disabled job seekers actually work for, and how do they compare with the general population in this regard? The figure that follows compares the distribution of employees with and without work disabilities among different types of employers (see Figure 15.1).

The figure reveals that disabled workers tend to be employed by the same types of employers as workers without work disabilities. The vast majority of American workers are employed in the private sector (76.6% of those without work disabilities versus 72.5% of those with work disabilities), while the government employs about 15% of the workers in both groups (15.3% without work disabilities versus 15% with). Interestingly, people with work disabilities are much more likely to be self-employed than people without work disabilities (12.2% with versus 7.8% without) (Kraus & Stoddard, 1991).

FEDERALLY INITIATED DISABILITY SPECIFIC SELF-EMPLOYMENT STRATEGIES

Three federal agencies have initiated self-employment strategies for disabled people in the United States: the Small Business Administration (SBA), the Rehabilitation Services Administration (RSA), and the Veterans Administration (VA).

1. The Small Business Administration (SBA)

In addition to its general activities related to small enterprise development, the SBA has two programs specifically for disabled people: Handicapped Assistance Loans (HAL) and Loans for Vietnam-era and Disabled Veterans.

Under the HAL program, the SBA guarantees loans of up to \$750,000, and makes direct loans of up to \$150,000, to disabled individuals (HAL-2) and state and federal chartered organizations that operate in the interest of disabled individuals (HAL-1). The guaranteed loans are offered at market rates of interest, and the direct loans are offered at a concessionary (3%) interest rate. To be eligible for the concessionary direct loan, an applicant must be unable to obtain a non-concessionary guaranteed loan.

The Loans for Vietnam-era and Disabled Veterans Program provides direct loans at concessionary (3%) rates to disabled Vietnam-era veterans who can't obtain guaranteed loans under the preferential provisions for Vietnam veterans contained in the general SBA program. Unfortunately, at the time of this writing, all of these SBA programs are being rendered virtually non-existent by federal budget cuts.

2. The Rehabilitation Services Administration (RSA)

The RSA sponsors two strategies which, theoretically at least, support self-employment for disabled people; one housed within the system of state Departments of Vocational Rehabilitation (DVRs) and Bureaus

of Blind Services (BBSs), and the other is housed solely in the system of BBSs.

(a) Vocational Rehabilitation and Self-employment

The RSA supports a DVR in each state. It also supports a vocational rehabilitation agency specifically for the visually impaired (BBS) in each state. These state run but largely federally funded agencies are the primary components of the national rehabilitation system, which assists disabled people with obtaining employment.

The regulations which govern the operation of DVRs and BBSs contain self-employment as a legitimate vocational goal, along with various other vocational and non-vocational rehabilitation outcomes such as employment in the competitive labor market, sheltered employment, supported employment, homemaking, and farm or family work (Office of Special Education and Rehabilitative Services, 1993). These regulations also stipulate that all of the approved vocational goals should be considered of equal value.

Nevertheless, recent research by Nancy Arnold and Tom Seekins indicates that self-employment tends to be viewed more negatively than other vocational goals by vocational rehabilitation counselors. The researchers argue that self-employment closures are negatively impacted as a result, citing the fact that only 2.6% of all DVR case closures were to self-employment in 1988 (Arnold & Seekins, 1994, p. 66). The fact that the DVR rate of closures to self-employment of 2.6% is much lower than the 12.2% overall rate of self-employment revealed in Figure 15.1 tends to suggest that the DVR effort is behind the trend in self-employment, not in front.

Arnold and Seekins also provide some insights into to why DVR lags the trend in self-employment when they point out that "while federal law expresses no preference for any type of employment situation over another, the majority of closures (81.5% in 1988) are to situations where the consumer works for someone else" (Arnold & Seekins, 1994, p. 67).

This fact might be partially explained by further research by Seekins and Arnold who examined the policies of 34 state DVRs governing the use of self-employment as a vocational rehabilitation closure. They found that the policies of only three states (less than 10%) contained positive statements about self-employment while the policies of 11 states (over 30%) contained negative statements. Of equal interest is their finding that the policies of nine states required that rehabilitation counselors with clients pursuing self-employment goals be proficient in areas for which rehabilitation counselors are typically unsuited or untrained (e.g.

developing business plans, analyzing business plans, recommending funding strategies) (Arnold & Seekins, 1994, p. 70).

(b) The Randolph-Sheppard Vending Facilities Program

The RSA also administers the Randolph-Sheppard Vending Facility Program for the visually impaired. In 1992–1993, the last years for which data are available, the Randolph-Sheppard program supported 3,486 blind vendors operating 3,389 vending facilities nationwide. The program generated \$80.9 million in net earnings, for an average of \$25,832 per vendor (U.S. Dept. of Education and Rehabilitative Services, 1993).

The operation of the blind vendor program, otherwise known as the Business Enterprise Program, is regulated by the Randolph-Sheppard Act (for sites in federal government buildings) and the "little Randolph-Sheppard Act" (for sites in state and local buildings).

Different states administer their Blind Vendor Programs in different ways. However, all states tend to share the following general framework. State DVRs and BSBs obtain the rights to establish vending sites in government buildings. Visually impaired people who have been selected, trained, and certified by the BSB as qualified to manage and operate a facility, are then installed as vendors at these sites. They obtain possessory rights to the location, but not title. For the privilege of operating their businesses, the vendors pay a "set aside," which is a graduated percentage of their net proceeds, to the BSB. The vendors are fully responsible for the accounts and ordering; and for the hiring and firing of employees.

The state programs then differ as to the contracts established between the vendors and the sponsoring agencies. In Nevada, for example, the sites are owned by the government (either federal, state, or local, depending on the building in which the site is housed), the equipment is owned by the sponsoring agency, and the inventory and supplies are owned by the vendor. In Nevada, vendors are given interest free loans with which to purchase inventory and supplies; but in other states they are provided with interest bearing loans, and in some states they are simply given their initial inventories.

The Blind Vendor Program establishes participants in quasibusinesses in which the participants do not enjoy all of the benefits or incur all of the risks of business ownership. The vendors only have possessory rights to their business sites, for example. Therefore, they cannot sell their businesses. In Nevada, once a site is vacated for any reason, the BSB engages in a selection process to fill the vacancy. In this kind of system, the vendor is unable to reap the ordinary benefits of establishing and then selling a successful business. The participants do incur fewer risks, however, because they are spared the initial capital investments associated with most business ventures.

3. The Veterans Administration (VA)

The VA provides self-employment services to disabled veterans similar to the services provided to the general disabled population by the system of state DVRs. However, VA support of self-employment for disabled veterans is very limited. To begin to understand the limitations imposed, consider this excerpt from the relevant VA regulations:

Vocational rehabilitation will generally be found to have been accomplished by the veteran when he or she achieves suitable employment in the objective selected, in an existing business, agency or organization in the public or private sector. Rehabilitation of the veteran may be achieved through self-employment in a small business, if the veteran's access to the normal channels for suitable employment in the public or private sector is limited because of his or her disability or other circumstances in the veteran's situation warrant consideration of self-employment as an additional option. (Veterans Administration, Title 38)

To fully understand the reluctance of the VA to consider self-employment, one must first understand its three tiered eligibility system for self-employment services. The following excerpt from the *Veterans Administration Manual for Vocational Rehabilitation and Counseling Procedures* defines the three disability categories. Notice that the more severe the disability category, the greater the number of self-employment services offered.

Categories of Veterans for Special Assistance for Self-Employment (7.04)

VA may furnish certain special assistance to veterans with an approved self-employment rehabilitation goal. The types of special assistance available and the conditions under which VA can make them available vary based on the veteran's level of disability. To determine a veteran's access to different types of assistance, the CP must first assign each veteran with an approved self-employment plan to one of three categories, applying the rules 38 CFR 21.258.

Category One — Most Severely Disabled Veteran
 Category one includes veterans whom VA has determined to be most severely disabled under 38 CFR 21.258. To be placed in this category, the veteran must have a serious employment handicap and the CP must

determine that the veteran's employability limitations are so severe that they *require* self-employment as a vocational goal. Generally, self-employment for veterans in this category will be home-based.

2. Category Two

— Veteran with a Serious Employment Handicap
For self-employment programs, the CP must assign
to category two all veterans with a serious employment handicap whom he or she does not consider to
be among the most severely disabled veterans. For example, a CP would most likely place in this second
category a mobile veteran with a serious employment
handicap who can pursue training in a school. This
does not, however, prevent assigning a mobile disabled
veteran to the first category.

3. Category Three

— Veteran with an Employment Handicap
The third category comprises veterans who have an employment handicap, but who do not have a serious employment handicap. (Veterans Administration Manual, Chapter 7, Section 7.04)

The following excerpt then defines the rationale for this hierarchy of services.

Types and Levels of Assistance Which VA May Provide (7.05). For the most severely disabled veterans, limitations to employability necessitate the choice of self-employment as a rehabilitation objective. Therefore, because their options are greatly limited, these veterans are entitled to an extraordinary degree of assistance. As the effects of disabilities lessen. options expand; consequently, the scope of special assistance narrows. A veteran with a serious employment handicap may receive much greater assistance than a veteran without a serious employment handicap. VA must furnish needed services and assistance to veterans who are most severely disabled (category one). In contrast, veterans who are not among the most severely disabled must meet certain restrictive conditions to receive this assistance. Thus, veterans with a serious employment handicap (category two) may receive the same types of services and assistance as most severely disabled veterans, but only after meeting an additional condition. Veterans with an employment handicap (category three), however, can only receive much reduced levels of selfemployment services and assistance. (Veterans Administration Manual, Chapter 7, Section 7.05)

The actual services provided are contained in the following passage.

1. Category One

The VR & C Division may supply the following assistance and supplies to category one veterans as necessary to help these veterans successfully begin to operate their own businesses:

- (a) Comprehensive training in the operation of a small business:
- (b) Minimum stocks of materials such as an inventory of saleable merchandise or goods, expendable items required for day-to-day operations, and items which are consumed on the premises:
- (c) Essential equipment, including machinery, occupational fixtures, accessories, and appliances; and
- (d) Incidental services such as business license fees.

2. Category Two

VA may furnish a category two veteran the same supplies and services as most severely disabled veterans. In contrast to category one veterans who receive these supplies and services as necessary to begin operation of the business, it must be shown that self-employment is the soundest method of achieving rehabilitation for veterans in the second category. This distinction results from the following rationale: In the case of the most severely disabled veteran, self-employment is the only feasible method of achieving rehabilitation; whereas, in the case of the category-two veteran, self-employment is the better choice among two or more alternatives.

3. Category Three

In a self-employment program, VA may provide a category three veteran the following assistance:

- (a) Incidental training in the management of a small business:
- (b) License or other fees required for employment and self-employment. This sort of assistance is most commonly associated with employment or self-employment in a skilled trade, such as an air conditioning mechanic; and
- (c) The personal tools and supplies which the veteran would ordinarily require to begin employment. This sort of assistance is most commonly associated with skilled trade occupations, but may include electronic data processing equipment and related supplies if the veteran's situation meets the conditions in part III, chapter 6 (ibid).

The section of the VA Manual which outlines the responsibilities of its VR counselors in handling requests for self-employment services is similarly restrictive, requiring a very detailed "feasibility analysis" containing fifteen separate sections, some *very* technical. Under the procedures outlined therein, VA counselors involved in self-employment, like their counterparts in the DVR system, are asked to perform a number of tasks for which they are not necessarily qualified.

4. Are These Negative Impressions of Self-employment Justified?

The evidence presented in the preceding sections demonstrates that the Vocational Rehabilitation system and the Veteran's Administration have institutionalized an inferior status to self-employment as a career option for their consumers. The data suggest, however, that the institutionalized bias against self-employment embodied in the policies of the RSA and the VA are not justified.

These negative attitudes about self-employment are based on the following two shared assumptions; (1) Self-employment is much more risky than employment with established businesses owned by others, and (2) Self-employment training and support is more expensive than traditional forms of vocational rehabilitation.

The fear of risk seems to us, and to others, to be unjustified (Arnold & Seekins, 1994, pp. 70–71). The real risk of business failure seems to be lower than the 50% failure rate assumed by DVR. Recent studies appear to indicate that small businesses actually fail at a rate of 18 to 20% over the first 8 years (Aley, 1993; Mangelsdorf, 1993 and Duncan, 1994). This risk compares very favorably to the general DVR failure rate for other types of placements.

Consider the following excerpt from a 1993 Government Accounting Office (GAO) report.

Within the group the RSA classified as rehabilitated (60 days from the end of services), after two years the proportion with any earnings from wages returned to near or below pre-program levels. (Arnold & Seekins, 1994, p. 71)

The high cost argument is seemingly more persuasive. According to the RSA, in 1988 the average cost of a self-employment placement was \$3,122; followed in order of average cost by a sheltered workshop placement at \$2,707, an unpaid family worker placement at \$2,503, a traditional employment placement at \$1,939, and a homemaker placement at \$1,868 (Arnold & Seekins, 1994, p. 71). However, given the high failure rate of DVR placements, it is unclear what the relative cost benefit ratio would be.

RESULTS OF THE NATIONAL SURVEY OF SELF-EMPLOYMENT STRATEGIES¹

1. Methodology

To gather information on the existing self-employment strategies for people with disabilities in the United States, we first compiled a list of 1,295 disability and small-enterprise development related organizations in the United States.² Each organization was sent a packet containing a letter describing the purpose of the survey, and a postage paid return postcard with questions designed to identify organizations which sponsor or support self-employment strategies for disabled people. Of the total mailed out, 1,109 were actually delivered.

We received postcards back from 344 of these organizations. The overwhelming majority, 279, reported that their organizations did not support or sponsor self-employment strategies for disabled people. Sixty-four identified themselves as possibly supporting or sponsoring such strategies.

Twenty-eight additional organizations were identified by those initially contacted as possibly sponsoring or supporting such strategies. We phoned the 28 organizations identified by others, and inquired about their possible support or sponsorship of self-employment strategies for disabled people. In the course of these phone calls, eight additional organizations were identified, and each of these was contacted by phone. Of the 36 additional organizations identified through this process, 13 indicated that they did sponsor or support self-employment strategies, and 23 indicated that they did not.

Altogether, the initial procedure identified 77 organizations which possibly sponsored or supported self-employment strategies for disabled people. Each of these organizations was mailed a second packet containing a more detailed survey and an offer of homemade cookies in exchange for a prompt return of the questionnaire. We received 32 responses. Twenty-six of them came in the form of completed questionnaires, five came in the form of phone calls to us indicating no support of such strategies, and one came in the form of a letter indicating no support of a strategy. All of the organizations that failed

¹ This research was funded by NIDRR Grant H133B30012.

² The 1295 organizations originally contacted included:

^{1.} The Departments of Vocational Rehabilitation in every state.

^{2.} All of the Small Business Development Centers in the United States.

All of the disability related organizations listed on the internet in the Cornucopia of Disability Information, accessed through the University of New York, Buffalo, Gopher service.

to return their questionnaires were then phoned to see if they sponsored or supported such strategies. None of them did.

Upon careful review of the 26 completed questionnaires, we determined that eight of the organizations did not actually sponsor or support self-employment strategies, and that two of the organizations were only in the process of planning strategies. Of the 16 remaining organizations, 11 reported that they provide direct self-employment services specifically to disabled people, two reported that they provide self-employment related services to the general population but have assisted disabled people in the past, two reported that they provide self-employment services as part of a range of employment services offered specifically to disabled people, and one reported that it conducted research on self-employment and disability. A profile of the 11 self-employment strategies providing services directly and specifically to disabled people is described in the final section.

2. Direct Service Self-Employment Strategies

Geographic Scope

Six of the 11 direct service strategies are statewide strategies, two are international, one is national, one serves a five-county area, and one serves a single county. Six of the 11 organizations which sponsor direct service strategies are concentrated in states which adjoin the Great Lakes (Minnesota, Wisconsin, Michigan, Ohio, Pennsylvania, and New York) and one is located in the upper mid-west (lowa) in a state which is contiguous to the Great Lakes states. Two of the strategies are located on the east coast (New Jersey and Washington DC), two are located in the west (Arizona and California), and none are in the south.

Organizational Structures

Six of the direct service strategies are sponsored by non-profit organizations and five are joint efforts. Two of the joint efforts are supported by state vocational rehabilitation agencies in combination with other state agencies; one is supported by a state rehabilitation agency in combination with a community college, a chamber of commerce, and a bank; one is supported by a commercial enterprise and a university; and one is supported jointly by a non-profit organization, a Small Business Development Center (SBDC), and a community college.

Nine of the direct service strategies are fully operational and two are in their early implementation phases. Three have been in existence for over ten years, one of which has been in existence for over 26 years. Three have been in existence for less than one year. Five are between three and nine years old.

Three of the responding organizations declined to report their yearly budgets. The estimated mean yearly budget for the remaining eight organizations for 1994 was \$236,887, with a high of \$540,000 and a low of \$20,000.

Four of the responding organizations did not report data about their employees. Of the remaining seven, five have small paid staffs ranging from two to six employees, one has a paid staff of five augmented by 117 volunteers, and one has a paid staff of two augmented by nine volunteer board members.

Services Provided

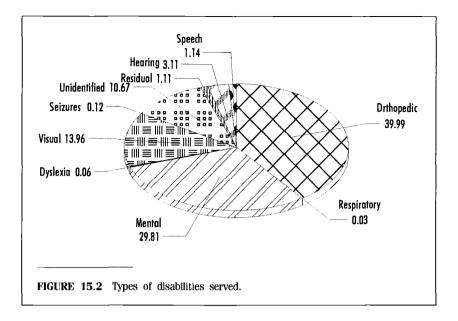
One organization supporting a direct service strategy failed to fill out a questionnaire. Table 15.1 describes the distribution of the services offered by the remaining ten organizations. It reveals that all ten of the organizations offer multiple-services. The number of services offered varies from organization to organization, ranging from three to nine services, with a mean of 4.9. The services offered most frequently are consultation, business training, and the development of training materials. All ten of the direct service strategies surveyed offer consultation. and nine of the ten offer business training and the development of training materials. Four offer loans, four provide business related assistive technology, and four conduct research. Three provide referrals to other relevant agencies and organizations, and two provide entrepreneur support training to Vocational Rehabilitation (VR) counselors. One offers grants, one provides assistance with the procurement of government contracts, one has developed a directory of businesses owned by disabled people and one has established a cooperative marketing program.

People Served

Two of the direct service strategies did not report the number of people served. Another reported a number of people served (3,088) that was so high relative to the other strategies of a similar size that we have left it out of our calculations. For the remaining 8 direct service strategies, the mean number of people served in 1994 was 60.5, with a high of 125 and a low of 12. Sixty-one percent of the people served in 1994 were male, and 39% were female. The disability types embodied in the total client population are summarized in Figure 15.2.

Figure 15.2 reveals that the three disability types most commonly served by the identified direct service strategies are the orthopedically impaired, mentally impaired, and visually impaired. Together, these three groups constitute 73.74% of the total client population. People with

New Jersey Business-Persons Strategies Micro-Loan Assoc. Consultation X X Training Materials X X Loans X X Assistive Technology X X Referral X X Grants X X Training VR Courselors X X Training VR Courselors X X	Ann Arbor ns CIL Disabled Comm. SBDC X X X X	Ohio Rehab. X X X X X	Pinsburgh Blind Business Ent. Venture X X	Courage Center X X X	Onondaga SBDC X X X	Wisconsin BDI & SEP X X	DIAD & GWU Ent. Training Program X	lowa Ents. with Dis. X
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orthopedic disabilities constitute the largest of the three groups with 39.99% of the total client population; followed by people with mental disabilities, with 29.81% of the total; and people with visual disabilities with 13.96%. Interestingly, people with unidentified disabilities rank fourth with 10.67% of the total client population, followed by people with hearing disabilities (3.11%), people with speech disabilities (1.14%), people with seizures (0.12%), people with dyslexia (0.06%), and people with respiratory disabilities.

Economic and Social Impacts

Surprisingly, very little information has been kept on the social and economic impacts of these programs. Eight of the direct service strategies report that they have no criteria whatsoever for measuring their social impacts. One of the two strategies which do, in fact, have criteria reports that it surveys participants and asks them for personal statements. The other declined to describe either its criteria or its data collection mechanism. Neither provided any useful information regarding the social impacts of their strategies.

Six of the direct service strategies report that they have developed criteria for accessing the economic impacts of their strategies on their clients. Two report that they are in the process of developing such criteria, and two report that they have no criteria. Of the six which report having criteria; one has developed and administered a comprehensive survey; two have tracked client earnings before and after receiving

services; and one has kept track of the number of businesses started, the number of jobs created, and the number of business expansions. The only organization which responded to our request for a description of the economic impact of its strategy, the Disabled Community SBDC at the Ann Arbor Center for Independent Living (AACIL), reported increases in the personal income of participants, decreases in their reliance on Social Security Assistance (SSA) benefits, and increases in the taxes they paid.

Opportunities and Challenges

The respondents were asked a number of open ended questions designed to deepen our understanding of their experiences as supporters of disabled entrepreneurs. Though the responses to these questions did not lend themselves to any type of statistical analysis, they shed light on some key issues which must be addressed when designing and operating such programs.

As previously mentioned, the majority of the strategies identified were partnerships between different agencies and organizations. The respondents provided useful insights into the nature of these partnership strategies.

In the following description of the key elements in his own strategy, Dennis Rizzo of the New Jersey Micro-Loan Fund describes his view of the optimal combination of institutional attitudes required for a successful partnership strategy.

The key element was a person from the economic development arena who believed that disabled people should have the same opportunities for self-direction as any other targeted group, and a person from the disability services community who firmly believed that the typical process of funding and supporting disabled people was simply producing greater dependence and draining the public treasury, and that a new source for raising support dollars was needed.

Patti Lind of Iowa's Entrepreneurs With Disabilities (EWD) also sees a natural alliance with the state, and even suggests that it may be most effective for state government agencies to be the administrators of self-employment programs for disabled people.

The following comments by Mr. Rizzo also reveal that negative attitudes held by social service and economic development agencies toward self-employment for disabled people require a strong commitment in order to establish the necessary partnerships.

The process of bringing together the economic development and social service communities was an immense effort. Convincing social service administrators that business development made sense as an employment strategy required lengthy discussions and meetings. At the same time, convincing the economic development community (Commerce Dept., banks, etc.) that self employment through entrepreneurship was not a charity issue was daunting.

With respect to this issue, one respondent reports:

...the local office of Vocational Rehabilitation has not participated (funded) to the level of participation anticipated, and, ...on a positive note, we have developed contacts with local economic development agencies that have provided assistance and the possibility of funding for small business ventures.

Patti Lind of EWD indicates that there are also problems to be encountered when a self-employment strategy for disabled people attempts to interface with the business community. Specifically, she reports difficulty finding business consultants with "a respectful attitude towards entrepreneurs with disabilities." This has created service bottlenecks for the EWD, as the program [properly] refuses to hire such people regardless of how good they are.

On the topic of partnership, Larry McCorkle reports that the expansion of Project Bo\$\$ required the organization to obtain a "Managing Partner" to coordinate funding, technical support, and management; and to be responsible for overall statistical monitoring of the project and the provision of technical assistance at each site.

To quote McCorkle:

Understanding that critical to the expansion is a comprehensive approach on a state wide basis of coordinating funding, technical support and management; Project BO\$\$ began looking for a Managing Partner.

Regardless of the negative attitudes toward self-employment for disabled people that appear to exist within the relevant professional communities, there appears to be an equally strong demand for self-employment services within the disabled community itself.

The following statement by Patti Lind is representative:

The initial demand for the self-employment services of the Entrepreneurs with Disabilities program of the Iowa Department of Economic Development, which is only three months old, has been much larger than anticipated.

Some respondents report that entrepreneurial training is beneficial for their clients and participants even if it does not result in their becoming business owners. For example, Roseanne Herzog of AACIL reports that,

Many individuals who pursue self-employment, and are not tremendously successful find that they are more desirable in the job market because of their business experience.

Nine of the 11 respondents reported feeling that their strategies could be replicated elsewhere. Some reservations were expressed, however. For example, Larry McCorkle of Project Bo\$\$ reported that, for his organization,

Start up was expensive and is now just beginning to pay for itself. Most organizations do not have the top level commitment or deep pockets to weather start up.

Most respondents expressed the belief that self-employment strategies need to be well thought out and comprehensive in order to assist disabled entrepreneurs with all aspects of starting and running their businesses. The following remarks of Kathy George of the PBA are representative of the collective belief in the need for logical goals and objectives.

... I believe any self-employment strategy needs to initially define their goals; define what a 'success' is and then it can be more easily measured and strived for.

With respect to the range of self-employment services that need to be offered to create a successful strategy, Robert Varney of Business Opportunity for Individuals with Disabilities (BOID) suggests that, "there should be a mentor/monitoring period to insure greater success."

Kathy George of the PBA expresses a concern shared by many of the respondents when she states that,

One common problem among entrepreneurs is the lack of assistance given in the form of 'start-up' financing. In this respect, a micro loan program or funding from an interested institution needs to be an integral part of the programs efforts.

In the following remarks, Dennis Rizzo of the New Jersey Micro-Loan Fund expands on this theme by offering a model of what a micro-loan program should include. According to Rizzo, a Micro Loan Fund strategy requires:

- One to two committed personnel able and willing to research state needs, assemble and inform interested participants, and prepare the necessary supporting documentation.
- A commitment for seed funds from any source (bank, state agency, commerce, or private foundation).
- A commitment for funding the staff mentioned in number 1 from an outside source until sufficient operating capital and loan resources are assembled.
- A willingness on the part of administrators to try economic development as a route off the system for their clientele.

In summary, the comments of the respondents tend to indicate: (a) that there exists a strong demand and need for self-employment programs, (b) that self-employment programs need to develop partnerships with relevant agencies, though such partnerships are often difficult to establish, (c) that self-employment programs need to establish well thought out goals and objectives, and (d) that start-up financing is a critical component of a successful strategy.

CASE ILLUSTRATIONS

The group of identified strategies is comprised of 11 direct service self-employment strategies specifically for disabled people, five self-employment strategies which serve the general population and report providing services to disabled people, and one organization which conducts research on self-employment for disabled people.

Direct Service Self-employment Strategies Specifically for Disabled People

1. New Jersey Disability and Non-Profit Micro-Loan Fund Inc.

Loans are provided in New Jersey only. However, program replication efforts are supported in several states and project development is supported in Canada.

The strategy was initiated on July 1, 1991 as an inter-agency project between three state government entities. It has subsequently become a non-profit organization housed within and serviced through the New Jersey Economic Developmental Authority (NJEDA). The NJEDA handles closing, legal processing and loan repayment servicing in return for retention of 50% of the interest on the fund pool and interest paid on loans.

The budget for the organization is \$20,000 per year with a revolving loan pool fund of \$750,000. Funding includes a \$100,000 challenge

grant from Dole foundation in 1994; a \$200,000 challenge match from New Jersey Economic Development Authority in 1995; \$125,000 in-kind services of staff, technical support and operational resources (office, supplies, etc.) from the New Jersey Department of Commerce and the New Jersey Developmental Disabilities Council. An initial grant of \$450,000 for the fund, staff, technical assistance and office was also provided by the Developmental Disabilities Council. For 1995–1996, the Vocational Rehabilitation office has provided special project funding of \$10,000 per person as a grant for final applicants. The Bank of New York, First Fidelity Bank and Chemical bank provide annual grants of about \$5,000 and access to loan funds in the amount of \$50 to \$100,000 annually with a 3 year amortization.

The Fund provides variable interest and term loans for individuals with disabilities who are unable to obtain financing for valid business concepts elsewhere, or where some additional bridge funding or guarantees are needed to secure commercial financing. In addition, the Fund works to open business opportunities through development of private and public markets for new entrepreneurs, establish support systems from among the existing economic development and social service communities, and encourage self-employment as a work option for disabled people through seminars and national presentations. Recently, the Fund has begun work on training for state vocational rehabilitation counselors on business start-up strategies and linking them to the economic development community.

The fund provides loans, loan guarantees and loan packaging from a pool of monies assembled through grants and commercial lender flow-through financing agreements. Loan amounts vary from \$2,500 to \$50,000 based on demonstrated need and repayment capacity as well as available collateral and experience of the applicant. There is a \$100 application processing fee charged to participants after their applications are approved by the Board.

The program provides direct counseling and assistance in business plan development, assistance with the conceptualization of the business, coordination and accessing of social service support such as PASS Plans, and works closely with the applicant during the final stages of the application for loans. Outreach and consultation are provided to Independent Living Centers, and one-on-one counseling is provided for applicants who reach the full business plan stage.

A manual for the replication of the program and training is currently being developed. When completed, the manual will be sold at cost. No direct business training is provided by the Fund, but business training is coordinated through the County College system and Small Business Development Centers.

In 1994, the budget of the strategy was \$20,000, and it had two full time staff members and nine part time members of the Board of Directors. In 1994, twelve disabled people were final applicants and completed the process of obtaining financing. During the period from January 1994 to May 1995 the Fund has handled over 400 inquires.

This program reports that it is currently working on the following:

- Developing a cadre of community based volunteers to serve as mentors for new and fledgling entrepreneurs (using Rotary, Chambers of Commerce, and Small Business Development Centers).
- Developing a process for acquiring flow-through lending from commercial lenders, allowing them to take advantage of Community Reinvestment Act credits while maintaining a greater security in the funds.
- Beginning a 1 to 2 year program of training and mentoring for Vocational Rehabilitation counselors to recognize, screen and support fledgling entrepreneurs from their caseloads.
- Funding for staff positions is being sought from state agencies and funding for operations is being sought through consulting and training contracts.

New Jersey Disability and Non-Profit Micro-Loan Fund Inc.

CN-835

20 West State Street

Trenton, NJ 08625-0835

Contact: Dennis Rizzo or Renee Franklin Telephone: (609) 292-3745/292-3855

Fax: (609) 292-7114

2. Business Development Initiative (BDI) and the Self-Employment Program (SEP) for People with Disabilities

The shared goal of these two sister programs is to assist disabled people who wish to become self-employed. The two programs are virtually identical with the exceptions of their funding sources and their client bases. The BDI is funded by the State of Wisconsin through its general program revenue, and the SEP is funded by the Wisconsin State Department of Rehabilitation (DVR). Services under the SEP are only available to active DVR clients with severe disabilities, while services under the BDI are available to entrepreneurs within the general population of disabled people. The strategy was established in July of 1986.

Total funding for both programs in 1994 was \$540,000, of which \$240,000 came from DVR and \$300,000 came from State of Wisconsin

General Revenue Funds. The total payroll for both programs was \$250,000 in 1994 for six full time employees. In 1994 approximately 40 clients were served by the BDI and approximately 30 clients were served by the SEP. Since their inception, the projects have served approximately 150 individuals, 90% of whom have been successful at developing businesses and obtaining commercial financing.

Both programs provide the following four services in chronological order, thus providing entrepreneurs with disabilities a logical comprehensive entrepreneurial support system.

- 1. Business feasibility evaluation and needs assessment.
- 2. Consultation in business planning and financial packaging by program staff, and "follow along" business related technical support after the business has been established.
- 3. Grants of up to \$15,000 for further consultation and/or training in business related matters (e.g. market research, business planning, accounting, finance, engineering, and legal services).
- 4. A Micro-Loan Program which provides loans of up to \$25,000 or 50% of the project, whichever amount is less, at below market interest rates for equipment, land, building or working capital to assist with the start-up or expansion of businesses for disabled people. Only people who have successfully completed the venture development grant application process are eligible. That includes successful applicants from both the BDI and SEP programs.

There are no fees charged to the participants for the services provided.

The program is currently negotiating with the Department of Vocational Rehabilitation to increase the funding for the program to over \$1 million. Program officials report that they are also attempting to get large corporations to sub-contract with businesses owned by the recipients of program services.

Business Development Initiative (BDI) and the Self-Employment Program (SEP) for People with Disabilities Wisconsin Department of Development 838W National Avenue Milwaukee, WI 53207 Contact: Dale Verstegen Telephone: (414) 382-1750

Fax: (414) 382-1754

3. Business Opportunity Success System (Project BO\$\$) Ohio Rehabilitation Services Commission

Project BO\$\$ presently serves Columbus and Cincinnati, and expansion is planned to both northwest and northeast Ohio. Ultimately, the project hopes to serve the entire state of Ohio.

Project BO\$\$ was initiated in 1989 by the Ohio Rehabilitation Services Commission (RSC) to provide disabled people with a systematic approach to starting up their own businesses, and to teach them that entrepreneurship is an employment option. The project has a full time administrative staff of two plus a contract staff person at each site.

The main premise of the Project BO\$\$ is that programs and services already exist. If they are strengthened and coordinated, a network can be constructed to support new and existing business owners. To provide services, the project has formed partnerships at each site with the area Chamber of Commerce, the Small Business Development Centers, an educational entity (usually a two-year college), local banks and female/minority programs. State Savings Bank (SSB) provides management support and is responsible for monitoring statistics and providing technical assistance at each site. The focus of the program is to serve disabled people and minorities. However, anyone can attend the classes offered. From its inception in 1989 to July 1995, the Columbus site has served 454 people. Of those, 177 participants have completed the Business Plan Development Course. There are 103 Project BO\$\$ business owners and, of that number, 60 are disabled people.

There are four major components of services; market identification, management education, capital access, and technical assistance.

1. Market Identification

Analyses of urban areas are periodically conducted to identify the industries with the highest and lowest probability of success for new businesses.

2. Management Education

A twelve-hour introductory course is offered which provides a realistic overview of business ownership and assists potential participants to decide if owning a small business is right for them. Participants who chose to continue can take up to two other courses; the Business Planning Course in which each participant completes a business plan and learns how to seek financial resources; and the Business Operations course which focuses on the basics of marketing, accounting, financial statement preparation and analysis, business law and computer technology.

3. Capital Access

Participants are assisted by Project BO\$\$ staff to identify funding sources.

4. Technical Assistance

Project BO\$\$ participants are monitored throughout the first five years after start-up of their businesses to identify potential concerns and then tie them into community services which can assist before the concerns reach crisis proportions. Fees are charged for tuition but often community programs sponsor participants. RSC participants receive additional counselling and follow-along after the education component and prior to start-up.

Business Opportunity Success System (Project BO\$\$)
Ohio Rehabilitation Services Commission
400 E Campus View Boulevard
Columbus, OH 43235-4604
Contact: Larry McCorkle

Telephone: (614) 438-1228 Fax: (614) 438-1289

4. Entrepreneurs with Disabilities (EWD)

- Iowa Department of Economic Development

Entrepreneurs with Disabilities is a collaborative effort of the Department of Education, Division of Vocational Rehabilitation Services (DVRS), Department for the Blind (IDB), Department of Economic Development (IDED), and Department of Inspections and Appeals (DIA). The strategy began in April, 1995 and has served 50 disabled people in the first four months. The purpose of the EWD Program is to provide technical and financial assistance to help qualified disabled individuals become self-sufficient by establishing, maintaining, expanding or acquiring a small business. Clients of the DVRS or IDB may apply for the EWD Program.

Two general types of services are provided; technical assistance and financial assistance. Technical assistance is provided by consultants in the form of specific business related services necessary to assist applicants who are establishing, maintaining, expanding, or acquiring small businesses. To be eligible for technical assistance, individuals are evaluated based on their applications for the EWD Program. Specific services provided are based on the project plans and budgets submitted.

Financial assistance may be provided for the purpose of purchasing business equipment, supplies, rent or other start-up, expansion or acquisition costs identified in an approved business plan. Total financial assistance provided to an individual cannot exceed 50% of the financial

package with a maximum of \$15,000. The yearly budget for the technical assistance and financial assistance is \$350,000. Administrative costs are covered by the sponsoring agencies.

In addition to direct services to disabled entrepreneurs, a training program has been developed for Vocational Rehabilitation Counselors (VR Counsellors). Each VR Counsellor receives training in the mechanics of the program, and on how to identify feasible business ideas. A handbook on the EWD Program has been developed for the VR Counsellors.

Program officials report that they intend to conduct an evaluation after the first six months to obtain information about areas of success and suggestions for change.

Entrepreneurs with Disabilities
Iowa Department of Economic Development
200 E. Grand
Des Moines, IA 50309
Contact: Patti Lind

Telephone: (515) 242-4948

Fax: (515) 242-4749

5. Disability Community Small Business Development Center (DCSBDC)

The Disability Community Small Business Development Center (DCSBDC) is a program of the Ann Arbor Center for Independent Living (AACIL), a non-profit organization. The program, which is funded by the Michigan Business Development Center, Michigan Rehabilitation Services, and Michigan Departments of Commerce and Mental Health, offers technical assistance to disabled people who are interested in self-employment or who are already in business. It was established in 1988, and it served approximately 200 disabled people in 1994.

The DCSBDC offers self-employment services, including business counselling and training, government procurement assistance, and resource identification and development, to disabled people interested in starting their own businesses. Consulting- and fee-based services offered include business planning, financial analysis, financial statement preparation, market research and planning and feasibility assessments. Roseanne Herzog, together with Dr. Barbara Goodman, has developed the Business Assessment Scale for use as an assessment tool by VR counsellors with clients who are interested in self-employment.

Roseanne Herzog reports that the DCSBDC has enjoyed particular success assisting businesses owned by disabled people in bidding for government contracts. The program provides training for business owners on how to obtain government contracts and it then promotes their businesses through a disabled owned business directory compiled by

the program. In 1994, the program helped secure \$2.4 million in government contracts for businesses owned by disabled people. Ms. Herzog believes that this component of the DCSBDC has great growth potential.

The annual budget for the strategy, which is staffed by two employees is \$90,000. This amount is expected to increase when a loan fund currently in the planning stages becomes operational. The AACIL receives a yearly \$35,000 grant from the Michigan Small Business Development Center to operate the DCSBDC. The Department of Rehabilitation provides grants and fees in the range of \$20,000 to \$50,000 annually. Overall, the AACIL receives numerous grants from various foundations to support the full range of its services.

The program plans to develop a loan fund and expand its procurement services. Program officials also plan to increase the promotion of the program in an effort to increase the markets for the services and products of the businesses owned by their clients.

Disability Community Small Business
Development Center
Ann Arbor Center for Independent Living
2568 Packard, Georgetown Mall
Ann Arbor, MI 48104-6831
Contact: Roseanne Herzog
Telephone: (313) 971-0277

Fax: (313) 971-0826 TDD: (313) 971-0310

Entrepreneurial Training Program — George Washington University and Developing Innovative Approaches to Assist People with Disabilities (DIAD)

The Entrepreneur Training Program is a new commercial enterprise established on March 1, 1995 as a partnership between George Washington University and DIAD to provide practical entrepreneurial skills to disabled people.

DIAD employs a three phase assistance strategy. In the first phase, students receive one semester of in-class practical instruction on topics related to small business, taught primarily by members of the Business Faculty of George Washington University. In the second phase (the incubation phase) clients are assisted in developing their small business ideas and plans. They are provided with business incubator facilities containing necessary business equipment (e.g. computers, phones, copy machines, and fax machines). In this phase students are also assisted by their instructors and other business advisors. In the final "migration"

phase, the clients are assisted in locating their enterprises in the community. Tuition for the one year program is \$3,500 The first group of students is currently in the second incubation phase. With the start of the next class in early November, 1995, interactive video technology will be introduced in the course. It will be used in the introduction phase and will also be available for students to use in developing their businesses during the second and third phases of the program.

The program plans to use interactive video to transmit its courses to students in South Africa. The contact in South Africa has been established and funding is being sought.

Entrepreneurial Training Program
George Washington University and Developing Innovative
Approaches to Assist People with Disabilities
1800 Robert Fulton Drive, Suite 115
Reston, VA 22091

Contact: Michael Rivers Telephone: (703) 715-0460 Fax: (703) 715-0462

7. Disabled Businesspersons Association (DBA)

The DBA is a non-profit organization with a full time volunteer staff. The organization exists to guide disabled people to opportunities in self-employment and to assist disabled people who are already in business. The DBA sees its goal as providing real world information to disabled entrepreneurs so that they can make informed and intelligent decisions. The strategy began in 1985, and in 1994 the DBA served or received inquires from 3,088 disabled people.

The DBA is primarily an information provider. Services offered include assistance in identifying business possibilities, assistance with business plan preparation, review of prepared business plans, accounting assistance, advice on computer systems, marketing assistance, assistance with procurement, technical assistance on assistive technology, assistance with the process of seeking funding through venture capitalists, and matching businesses with partners. The DBA also offers assistance with legal matters such as obtaining patents and trademarks, negotiating leases, buying existing businesses and writing contracts.

The DBA also provides motivation, inspiration, and mentoring. One innovative DBA approach is to help a client visualize his or her business as a going concern by producing a mock brochure. Afterwards the client begins the difficult task of writing the business plan to prove on paper that the business idea will work. Through the process of developing

the brochure the individual is inspired to complete the business plan and face the real world issues of starting a business.

Approximately 20% of DBA services go to disabled people who are already in business and people already in business who have become disabled. Services to the newly disabled include evaluating the new abilities of the individual and finding a successful business person with a similar disability to act as a mentor.

There are no fees to the participants for services provided. However, the DBA requests that those who start their own businesses fill 20% of the jobs they create with disabled people.

The program plans to expand its educational programs, increase its funding resources and increase the technical assistance it offers.

Disabled Businesspersons Association 9625 Black Mountain Road, Suite 207 San Diego, CA 92126-4564

Contact: Urban Miyares Telephone: (619) 586-1199

Fax: (619) 578-0637

8. Onondaga Small Business Development Center — Onondaga Community College

The Onondaga Small Business Development Center has been open since 1986. It is funded by the U.S. Small Business Administration, the Onondaga Community College and the State University of New York Research Development Office. It shares staff members with the Central New York Technology Development Organization, the Urban Development League and State University of New York at Oswego. In 1994, between 50 and 75 disabled people were served by this program.

Funding sources specifically for disabled people have been identified. Business training and counselling are provided to assist disabled people to achieve self-employment. There is a fee charged for the training but counselling is free. A handbook titled *Business Opportunity for Individuals with Disabilities: A business planing guide for New York State* is available at no charge.

Onondaga Small Business Development Center Onondaga Community College EXCELL Building, Room 108 4649 Onondaga Road Syracuse, NY 13215-1944 Contact: Dr. Robert Varney

Telephone: (315) 492-3029

Fax: (315) 492-3704

9. Homecrafters — Courage Center

Homecrafters is one component of the \$20 million per year non-profit organization, the Courage Center. The mission of Homecrafters is to assist people with severe physical disabilities for whom working at home in self-employment is the most appropriate employment choice. The strategy, which began in 1968, has five employees, and it served 111 disabled people in 1994. Its budget in 1994 was \$311,900.

All the services that a person needs to be an independent business owner are provided including business training, consultation, developing training materials, and providing assistive technology. Support services are given to individuals at their levels of need throughout the entire self-employment process. The average length of involvement in the program is 11 years. Currently all clients have home-based businesses. No fees are charged to the participants.

The program plans to expand its range of self-employment outcomes to include activities such as the use of computers. It also plans to increase the markets for its clients' products, and improve their productivity and efficiency with the application of technology.

Homecrafters
Courage Center
3915 Golden Valley Road
Golden Valley, MN 55422
Contact: Audrey Suker

Telephone: (612) 520-0551

Fax: (612) 520-0577

10. The Business Enterprise Venture — Pittsburgh Blind Association (BEVPBA)

The BEVPBA is a non-profit organization with a staff of two and a yearly budget of \$144,693. In 1995, it has served 44 disabled people.

The organization provides business training through a series of business seminars as well as research-based entrepreneur assessment and education, technical assistance in completing a business plan, guidance and consulting regarding the obtaining of funding through state agencies, resources such as computer software and directories and referral to local agencies (Office of Vocational Rehabilitation and Bureau of Blind and Visual Services) for assistive technology. The program is also developing a resource file on local business possibilities and franchises available. Participants are not charged fees for the services.

The organization plans to develop a micro-loan fund and to create a means for evaluating the project.

The Business Enterprise Venture Pittsburgh Blind Association 300 South Craig Association Pittsburgh, PA 15213 Contact: Kathy George Telephone: (412) 682-5600

Fax: (412) 682-8104

11. Research Institute for Special Entrepreneurs (RISE)

A non-profit organization which provides development and delivery of training programs, from one day seminars to multi-session workshops, individual consultation and referral services, international research and presentations at conferences. Participants are charged fees for some services.

Research Institute for Special Entrepreneurs 7656 N. Sonoma Way Tucson, AZ 857423 Contact: Jay and Steve Krasner Telephone: (602) 744-8268 PART IV

Comparative Assessment of What Has Been Learned

CHAPTER 16 Characteristics of Self-directed Employment Initiatives

INTRODUCTION

A reader gets two distinct impressions of the initiatives described in previous sections. One is that the approaches adopted in a cross-section of countries have considerable commonality — in the kinds of strategies used, in the modesty of their impact and so on. A second is that a number of unique and highly successful models of approach have emerged which are deserving of more attention. The purpose of this chapter is to examine and describe the characteristics of the self-directed employment initiatives found.

During the course of the project information was gathered on somewhat over one hundred twenty initiatives spanning thirty-five low- or middle-income countries, and an additional 41 initiatives in seven high-income countries (Australia, Canada, Germany, Japan, Singapore, United Kingdom and the United States of America). These figures do not include initiatives which were briefly considered because of some inherent feature and then discarded because they clearly did not meet the criteria. For example, we did not include information on any of the supported employment initiatives of which there are many in Canada, the United States of America, Australia and a growing number in Europe and elsewhere. Supported employment usually takes place in regular wage paying work places, with the supported worker having no more say about her or his work than any other employee in the enterprise — consequently, not meeting the requirements of our definition of self-directed employment.

A number of projects on which information was gathered also did not meet data analysis criteria, and so were screened out. Some

involved data on individuals who had become self-employed through their own initiative and with no indication that a specific strategy had been used by a supporting organization. Such personal successes, while important, provided little information relevant to determining the effect of systematic strategies. Others involved data on sheltered workshops where some individuals might have been assisted towards self-employment, but this was a by-product of their overall activity. Since a sizable amount of previous research has shown the limitations of sheltered workshops as training and placement venues, these were set aside as well.

In the end, a total of 81 projects/initiatives from low- or middle-income countries fully met the research criteria. An additional 17 from high-income countries also met these criteria and are included. In presenting the data, we usually present those from low-income regions separately from those in high-income countries to allow for some comparison.

MORE EXPERIENCE IN LOW THAN HIGH-INCOME COUNTRIES

The first observation to be made is that there has been considerably more experience in supporting entrepreneurship with disabled persons in low/middle-income countries than in high-income countries. Typically, researchers found it relatively easy to locate self-directed employment initiatives in low-income countries. In high-income countries it took extraordinary effort to locate such initiatives, and when found they usually seemed to have limited variability. For example, in Canada we found a total of five, three of which were loans programs; in the U.S.A. there were 11 in all, most very recent; in Germany, Australia, the U.K and Japan there were various approximations.

One might speculate on why there has been less interest in high-income countries. High-income countries, after all, have been the bastions of free-market economies where self-directed employment ought to find natural accommodation. That little attention has been paid to such options appears to be a reflection of the societal illusions discussed in Chapter 2. Policies related to disability indirectly and directly seem to have impeded the prospects of disabled people becoming self-employed. At the same time, it seems clear that the focus of attention by advocacy groups of disabled people has given primary emphasis to pursuing wage employment and virtually no attention to self-directed employment until recently.

The situation in low-income countries is different for disabled people. Wage employment has been an option for very few. If they are to

become financially independent, the only real option for most is to seek some form of small business enterprise. Disabled people are no different than others in this regard. Consequently, self-directed employment as an agenda for action has been high on the list of disabled peoples' organizations and non-governmental organizations concerned with disability. The topic remains high on the list of priorities of low-income regions, as is evident from requests for workshops and information received by the researchers.

GENERAL CHARACTERISTICS OF INITIATIVES

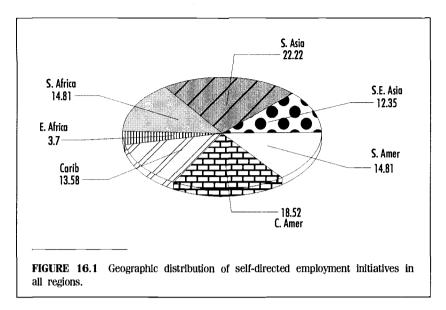
Features of the initiatives described below are based on information collected by researchers on several pre-prepared data collection guides. The ease with which information was accessible varied from initiative to initiative; consequently, the size of sample varies somewhat from item to item. We have no evidence that any systematic factors led to the loss of information; consequently, the data as presented appear to present a reasonably reliable picture of the status of self-directed employment initiatives. Many of the projects simply had little by way of records which could be examined to verify or address some of the questions posed.

1. Geographic Distribution

The geographic distribution of the 81 low/middle-income country initiatives was as follows: South Asia — 18. South East Asia — 10. South America — 12. Central America — 15. Caribbean — 11. East Africa — 3, and Southern Africa — 12. A researcher had been contracted to provide data from West Africa, but such data was not received. Information from the 17 initiatives in high-income countries is clustered as if they are one region for discussion purposes. Figure 16.1 summarizes the percentage of initiatives by region.

These data are not to be interpreted as suggesting the frequency with which self-directed employment initiatives have been pursued in the regions. We have no way of knowing what the true number or distribution of such initiatives is. There simply is no data base.

To a degree the number of projects examined in a given region reflects individual researchers' approaches to data collection. The guideline for researchers in low-income regions was to try and identify five to seven initiatives in a given country for examination. In highincome countries most researchers were able to conduct a thorough survey through the available communication networks. Some researchers adopted a more inclusive approach to data collection than others, overincluding projects for information gathering and left it up to us to



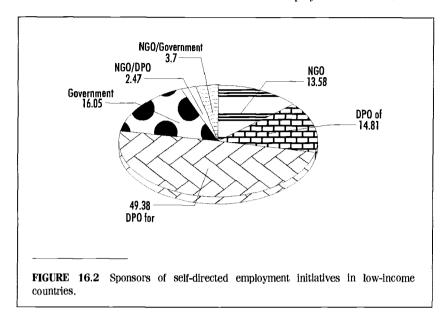
screen out those not meeting the core definitions. Other researchers used a more cautious approach. In some countries we can be reasonably sure that virtually the total population of initiatives meeting our criteria has been captured. In other instances we are not so confident, though extensive effort was made to find projects appropriate to our study.

For East Africa another factor applied. The reason data is provided on only three initiatives speaks to the fact that it was provided by personnel in ILO related projects as an extension of their already considerable other duties. Of these, one initiative was the largest single project examined in low-income regions, affecting the most disabled people.

Having said the above, we feel reasonably confident that the information collected is representative of the variety of self-directed employment initiatives which exist. Information was collected on ten or more initiatives in each of six sub-regions. Such a broad sampling base provides reasonable power for purposes of inferring the state of self-directed employment initiatives. A prudent course of action, though, is to use caution in drawing conclusions.

2. Source of Initiative

A reasonable cross-section of the major players concerned have taken responsibility for initiating self-directed employment projects, according to our data. Of the 81 low/middle-income initiatives examined,



40 were implemented by organizations FOR disabled people (DPOs for), 12 by organizations OF disabled people (DPOs of), 13 by governments, 11 by a non-governmental organization (NGOs) outside the disability field and 2 were jointly implemented by NGOs and DPOs (one each DPO of/for) and 3 jointly by NGOs and governments (see Figure 16.2). A similar pattern existed for high-income countries. Of the 17 initiatives, 7 were initiated by DPOs for disability, 2 by DPOs of disability, 5 by government, and one each for NGOs outside the disability field, jointly by NGO and DPO, and jointly government and NGO. If there is a difference, it would appear that DPOs of disabled people have been less involved in developing self-employment options in highincome countries.

Clearly the 'DPOs for' group have had the most experience in developing self-directed employment initiatives. They also have had the longest experience. All projects but one prior to 1981 were initiated by 'DPOs for'. These findings are not particularly surprising since 'DPOs for' have existed since the early part of the twentieth century, founding many of the existing vocational rehabilitation programs. What is encouraging about the data is that some 'DPOs for' have taken seriously the criticisms of disabled people that sheltered workshops have not the objective of promoting opportunities for financial independence. While the reasons for criticism still remain in many places, at least some 'DPOs for' have taken steps to change the situation.

Of particular interest is the fact that 'DPOs of' disabled persons have become actively involved in pursuing self-directed employment. 'DPOs of' have emerged on the world stage only within the past twenty years and could be considered quite young as compared to many of the 'DPOs for' and NGOs. From these data it is apparent that they are developing a track record of experience in organizing and managing self-directed employment initiatives.

3. Length of Experience with Self-directed Employment

Economic integration was an important aspiration of the United Nations when it established the Decade of Disabled Persons (1983–1992). A logical question, then, is whether the Decade had any measurable impact on self-directed employment. At best the evidence is indirect, reflected largely through the starting dates of the various projects examined.

Of the 81 low-income country projects, 70 provided data on commencement. Of these, 15 (21%) had their beginning prior to 1981 with the earliest dating back to 1956, 21 (30%) began between 1981 and 1985, 23 (33%) between 1986 and 1990, and 11 (16%) from 1991 onwards. It should be noted that since most of this data was collected in 1992, the post-1990 figures essentially reflect one year of activities. A few projects subsequent to 1991 are included. High-income initiatives fall into a similar pattern with 2 started before 1981, 2 between 1981 and '85, 8 between 1986 and '90, and 5 thereafter.

These data reveal that most experience with supporting self-directed employment options is very recent. Roughly eighty percent of all projects/initiatives had begun from 1981 onwards, with fifty percent or more after 1985. A few projects date back to as early as 1956, but these clearly were very early leaders.

Did the Decade have an influence? The evidence that the number of self-directed employment initiatives have increased since the beginning of the Decade suggests so. At the same time there also were other developments of note. The 1980s were characterized by governments beginning to look for ways to reduce their expenditures while encouraging entrepreneurial developments, a trend that has continued into this decade. International trade linkages in Europe and North America also were being forged, increasing competitiveness in all sectors.

It probably would be fair to conclude that activities associated with the Decade had some influence, though precisely how much would be hard to say. From 1981 through 1992 there was an unprecedented amount of publicity about issues pertaining to disability around the world. As a consequence, governments, 'DPOs for' and NGOs became much more conscious of the importance of including disabled people

in decisions that affected them. The rise in interest, therefore, probably is a reflection of a confluence of the factors identified along with others.

A question one might ask is, would there have been the same rise in interest in self-directed employment had there been no International Decade? While impossible to answer, the sentiment of many in the disability movement is the answer would be 'no'.

4. Beneficiaries of Self-directed Employment Initiatives

Questions such as: "Who do self-directed employment projects help?"; "Is self-directed employment an option for only certain groups of disabled people?"; "Do rural folk or women have opportunities to participate as equitably as city dwellers or men?"; and others often are asked. Data was obtained on a number of these points.

Total Numbers of Beneficiaries

Seventy three of the 81 low-income projects provided information on numbers of disabled people assisted. While projects ranged in size (serving from 1 to over 600 persons), most were fairly limited in scope. Sixty-one per cent of the projects assisted fewer than 25 individuals with disabilities, 13% assisted 26 to 50, and 17% assisted 51 to 100. Altogether 86% reached less than one hundred. However, a gratifying 13.7% (10 out of 73) had managed to serve 100 or more disabled beneficiaries.

Of the 17 high-income country projects a fairly even distribution was found for the various categories, with 4 assisting 0 to 25 persons, and 3 projects each for the categories: 26-50; 51-100; and 100-200. One reported serving over 3,000 persons. The data did not allow for an equal assessment of the extent to which these various initiatives successfully enabled their beneficiaries to become self-employed.

While high-income countries have been less involved in promoting self-directed employment options, when they do pursue the agenda a greater number of beneficiaries seem to become involved. The relative disadvantage of low-income countries probably is attributable to their limited resource base. Some 60% reported they were very dependent on external donors. Consequently, it is not surprising that a sizeable number of projects from low-income countries were reported as having had significant start-up problems — for reasons such as lack of capital resources, lack of business expertise, lack of appropriate markets, and so on.

Target Population

Projects varied considerably in the population they said they served. Seventy-six low-income country projects provided information on the populations which they targeted. These were distributed as follows:

(a)	persons from disadvantaged sectors	13%
(b)	persons with various disabilities	24%
(c)	persons with motor impairment, visual and	
	hearing impairment	16%
(d)	persons with physical impairment	17%
(e)	persons with visual impairment	25%
(f)	persons with hearing impairment	04%
(g)	persons with intellectual impairment	01%
(h)	persons with psychiatric impairment	00%

Many of the projects examined were disability specific. That is, they focused on persons with only one or a limited number of disabilities. Also evident from the above listing is that some disability groups have received a disproportionate amount of attention regarding opportunities for self-directed employment. More than 60% of the projects examined were geared towards persons with physical (usually motor) or sensory (usually visual) impairments. People with hearing impairments were less well served, and those with intellectual and psychiatric impairments were virtually unserved.

The situation was somewhat more even across disability groups in high-income countries. The German example focussed on people with psychiatric impairments. Both in Canada and the U.S.A. a number of the projects assisted individuals with intellectual impairments, and recent evidence suggests that the inclusion of people with psychiatric impairments is also on the rise. Nevertheless, people with motor impairments predominated as the largest single group.

Rural/Urban Differences

About one-third (32%) of the low-income country projects intentionally included rural participants. There is substantial evidence from reports by the World Bank and the UNDP that in rural, as opposed to urban, areas of most low/middle-income countries the population is larger, the rate of disability is higher, and support services are less accessible. The need to encourage more emphasis on self-directed employment in rural areas seems evident.

In high-income countries the projects examined also were predominantly in urban areas, though most were not geographically restricted.

Gender

The majority of projects examined seemed to have a gender bias. That is, they served more men than women. Merely 27.2% of the projects from low-income countries either targeted women or provided support to a significant number (defined as more than 40%) of women with disabilities. In the high-income countries information on gender was

not as readily available. However, it is the observation of the authors that more men than women seem to become involved in the self-directed employment initiatives, though a reasonable portion of women do participate in available programs. Given the general rise in number of women beginning their own businesses in high-income countries, it is to be expected that the gender proportions will become more equal in the future.

Education Level

Information on education level of beneficiaries was available from only a small portion of low-income projects, and generally unavailable in high-income countries. Twenty-four of the 81 projects studied provided information regarding the educational level of beneficiaries. Almost 50% of the disabled people who received assistance in these projects had three or less years of formal schooling. Approximately 25% had between 4-9 years of schooling and another 25% had more than nine years of formal schooling.

5. Reasons for Choosing Self-directed Employment

Information on why people chose to pursue self-directed employment was sketchy from our data. The best was that provided by Michael Floyd and his associates in England. This was supplemented by comments by our other researchers who met to share preliminary findings in April of 1992.

The reasons seem somewhat different between low- and highincome countries. In low-income countries self employment (often in the informal economy) is much more the norm than in high-income countries as it is a means to basic subsistence. Consequently, participating in a self-directed employment initiatives was logical for both social reasons (to work like others do) and for economic reasons (to earn one's livelihood). Discriminatory attitudes in salaried work sites, lack of work-site accessibility, and constraints associated with various impairments also were important considerations, but perhaps not as primary as in high-income countries.

In high-income countries, on the other hand, the option to consider self-directed employment had not been considered to the same degree. When they did the reasons for so doing involved a mix of: (a) avoiding discriminatory attitudes and practices in the salaried workplace; (b) compensating for an inability to secure wage employment; (c) the attractiveness of being one's own boss; and, (d) the possibility of a more flexible working schedule to accommodate individual needs.

There also are some reasons disabled people do not participate in self-directed employment. One seems to be that they are not aware of the possibility of doing so. In many low-income countries protective attitudes of families along with few obvious employment opportunities nurture continued dependency. In high-income countries, there also exists a dependency trap, a by-product of existing social benefit systems. The rules are so set up that disabled people feel at risk of losing their income security and health care benefits should they seek to become self-employed. In either case, disabled people often have become trapped with little hope of getting out of such dependencies. To break out requires an awareness raising or conscientization strategy, supplemented by other strategies which support the person striking out on their own. This is an issue that seems to be gaining increasing attention both amongst organizations of disabled people and at policy levels in governments, particularly in high-income countries.

THE MARKET PLACE — TYPES OF ENTERPRISES AND INCOME GENERATION

An indication of the ways businesses were organized and the kinds of markets they accessed was examined in a number of ways as follows.

Types of Employment Enterprise

Seventy-five of the low-income country projects reported data on the types of employment enterprise they promoted. Fifty-two (69%) promoted self-employment through small businesses, fifteen (20%) promoted worker cooperatives, and eight (11%) promoted business subsidiaries of organizations of disabled persons. In high-income countries, fifteen of the seventeen initiatives (88%) promoted small business development, and two (12%) involved a form of worker involved cooperative. Types of work undertaken through the self-employment and worker cooperative options varied broadly, depending on the local or regional markets. To a degree, though, traditional handicraft enterprises seemed fairly prominent in low-income countries. Examples of business subsidiaries include: DEEDS Industries in Jamaica which manufactures wooden products for the tourist trade and export market, and furniture for a local market; and a supermarket in Zimbabwe owned by the National Council of Disabled Persons of Zimbabwe. A breakdown of type of enterprise developed within the various regions is presented in Table 16.1.

Breadth of Products and Services

A wide variety of products or services were provided by all of the enterprises developed, both in high-and low-income countries. Since most of the high-income countries focussed on supporting self-

Region	n	Small business	Соор	Business subsidiary	Combination
South Asia	18	88.9%	11.1%	0.0%	0.0%
SE Asia	10	80.0%	10.0%	10.0%	0.0%
South American	12	75.0%	16.7%	0.0%	8.3%
Central America	15	60.0%	40.0%	0.0%	0.0%
Caribbean	11	54.5%	0.0%	27.2%	18.2%
East Africa	3	66.7%	0.0%	33.3%	0.0%
South Africa	12	50.0%	25.0%	25.0%	0.0%
High Income	17	88.0%	12.0%	0.0%	0.0%

TABLE 16.2 Types of products or services in low-income countries by type of enterprise.

Type of product or service	Number	Small business n=51.5	Co-op n=15	Business subsidiary n=8.5
Agricultural enterprises	13 projects (17%)	11.00 (21.2%)	1.0 (6.7%)	1.0 (11.8%)
Artisan production	21 projects (28%)	16.53 (32.0%)	4.5 (30.0%)	0 (0.0%)
Manufacturing	48 projects (64%)	29.00 (56.3%)	11.5 (76.7%)	8.5 (100.0%)
Service enterprises	36 projects (48%)	25.50 (49.5%)	7.0 (46.7%)	3.5 (41.2%)
Trade related enterprises	20 projects (27%)	14.00 (36.9%)	1.0 (6,7%)	1.0 (11.8%)

employment, and the array of possible kinds of business is immense, no data was collected for this category. The kinds of businesses entered into are described in the various chapters. Data was collected, though, from the 81 low-income country initiatives. A summary of the kinds of enterprises by category is provided in Table 16.2. Note might be taken that a given project might promote more than one type of income generation, consequently the percentages are not additive.

Types of Partnership between Business and Disability Sectors

Though in a majority of instances individual entrepreneurs and/or the project sponsors took responsibility for product development and marketing, there were some notable partnerships that had been developed between business and disability sectors. These included: (a) joint ventures, (b) production contracts, (c) service contracts, and (d) joint marketing.

Partnerships between government and the disability sector also have been established in some countries. For example, in India disabled people are given contracts to establish public call offices or telephone booths; in some Central and South American countries disabled people are allocated franchises to sell lottery tickets; and, in Bogota, Columbia the disabled persons organization has a contract with the city to establish and maintain orderly parking in certain areas of the city centre.

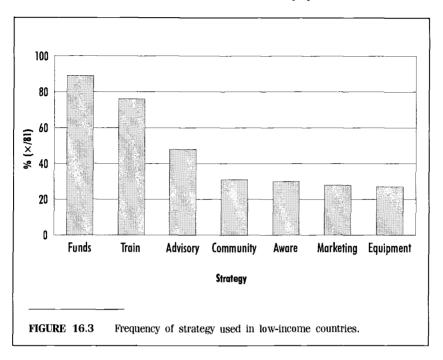
STRATEGIES LEADING TO SELF-DIRECTED FMPI OYMENT

The term strategy has various meanings — some of which may be broad in scope and approach involving a variety of specific interventions (as when one talks about a 'change strategy'), and others of which denote specific sets of activities. For purposes of this study we refer to *strategy* as involving a limited domain of interventions used with the intent of enabling disabled people to become engaged in self-directed employment. Though one domain may be related to another, each could be viewed as having its own integrity.

1. Seven Main Strategies

Since information was received first from low-income countries, the 81 projects fitting our criteria were analyzed in terms of the main interventions used to assist disabled people become engaged in self-directed employment. Seven main strategies were identified:

- Awareness Raising/Conscientization creating an awareness amongst persons with disabilities as to their possibilities of becoming economically independent;
- Community Involvement/Development referring to a variety of approaches that have as their aim both the inclusion of disabled people in local communities, and bettering the economic and/or social well-being of communities;
- Training consisting of two main kinds: technical skill training which prepare the individual for specific types of work, and business management and entrepreneurial skills training;
- Business Advisory Services provision of advice on various aspects of business, usually (but not always) by individuals experienced in business:
- Financial Support through loans or grants programs (some projects also introduced savings programs for beneficiaries);
- Material Support provision of equipment, premises or raw materials to aid business development; and,
- Marketing Assistance provision of market research, support in marketing, and seeking to create and/or expand markets for producers/providers.



2. Frequency of Strategy Use

A given project might use only one or as many as seven of these strategies in combination. The frequency with which each strategy was used is illustrated in Figure 16.3.

Two strategies predominated — Financial Support was used in 89% of projects, and Training in 76%. The third most common strategy was Business Advisory Services (48%), followed by Community Involvement (31%), Awareness Raising (30%), Marketing Assistance (28%) and Material Support (27%).

The picture in high-income countries is similar, though in the U.S.A. examples there is considerable reliance on training as the most predominant strategy. In Canada all initiatives made funding access a priority. In general, most initiatives in high-income countries used a combination of strategies.

3. Regional Differences in Strategy Emphasis

There were significant differences from one region to another as to which strategies were emphasized. For the low-income countries some of the differences are illustrated in Figure 16.4.

Financial support was the most usual across all regions. Training, though very predominant overall, was used in only 50 percent of projects

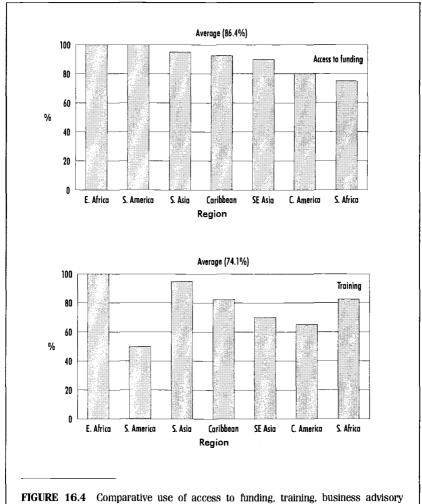
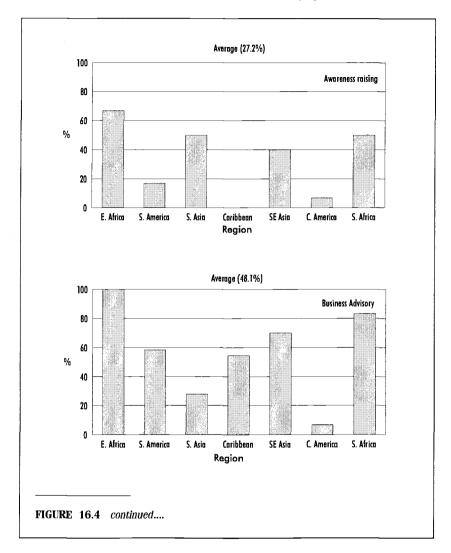


FIGURE 16.4 Comparative use of access to funding, training, business advisory and awareness raising strategies across low-income regions.

examined in South America. Over half the projects in Africa and Asia emphasized Community Involvement and Awareness Raising Strategies, whereas less than 10% did in South and Central America and the Caribbean.

The combination of strategies varies considerably between and within regions. Not surprisingly, the most common pair involves: (1) access to funding and (2) training. These two strategies are present in 54 out of 81 projects (67%) of those examined. Of these 54 projects, 56% (30/54) also include business advisory services and 32% (17/54) include marketing assistance.



In high-income countries resources related to all strategies tended to be available, though not necessarily used. For example, Britain seems to have the greatest amount of experience of all high-income countries in the provision of loans to disabled persons, but this was not accompanied by a systematic means of reaching disabled people. It seemed to be presumed that disabled entrepreneurs would find their own funding and training. The same was true for the three "loan schemes" examined in Canada. A number of the initiatives in the U.S.A., Germany, and Canada did, though, make concerted efforts at providing a diversity of supports accompanied by active involvement of disabled people.

4. Mainstream Resources Typically Not Involved

In examining how the major strategies were implemented one finds that mainstream resources typically were not involved. Rather, specialized sources were established in virtually all countries, both in high and low-income regions. For example, banks are in the business of providing loans. However, in both low and high-income countries banks have been reluctant to provide loans to disabled people. Consequently, a variety of small loans schemes have been set up specifically targeting people with disabilities. These, in turn, are vulnerable to being administered as sources of charity rather than as business loans. In very few instances was there an intentional strategy to involve a generic commercial bank as part of business development. Similar observations might be made with respect to sources of business training and business advice, though innovative ways often were found to bring in appropriate business expertise.

STRATEGIES ASSOCIATED WITH SUCCESS AND FAILURE

To determine the success of an income generation project presents a number of challenges. A 'first order' set of criteria for success should consider the primary objective, i.e. productive self-directed employment. However, unless one can determine what would have been the situation if there had been no intervention, the results remain inconclusive. For example, a large government project which selects individuals with high levels of education/experience may claim a distinctly high success rate (e.g. 100 beneficiaries own businesses within two years). On the other hand, a local grassroots NGO which targets beneficiaries from rural areas with little formal education may appear to have little success (e.g. five beneficiaries own businesses within two years). Realistically, 95% of individuals in the government project may have become productively employed without the assistance provided by the project. Individuals in the smaller NGO project may have required a great deal of assistance and support even to be able to entertain the idea that gainful employment was an option. Which project can be considered more successful? Obviously the limited amount of information available precludes an answer.

Other confounding factors resulting from the lack of reliable data also come into play. Success should be reflected in the increased income levels of project beneficiaries. Very few projects tried to gather this kind of data and if they had, most individuals would probably have felt the information was confidential. As a result, it is impossible to reliably

TABLE 16.3	Percentage comparisons of high- with low success projects in their
use of self-dir	ected employment development strategies in low-income countries.

Strategy	All projects n=81	Successful projects n=27	Unsuccessful projects n=8	Difference (%)
Business Advisory Services	48.1	66.7	62.5	4.2
Training	76.5	81.5	75.0	6.5
Access to Funding	88.9	96.3	75.0	21.3
Awareness Raising	29.6	44.4	0.0	44.4
Community Involvement	30.9	40.7	12.5	28.2
Material Support	27.2	33.3	37.5	-4.2
Marketing Assistance	28.4	44.4	12.5	31.9

determine the actual impact of the income generation projects or to conduct a thorough comparative analysis.

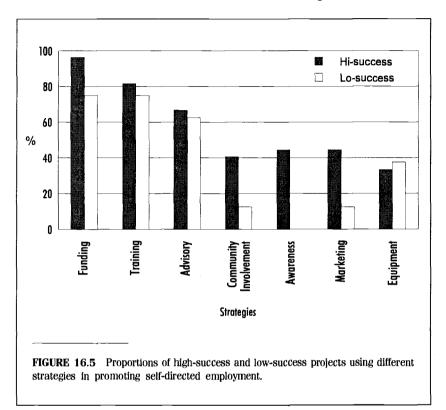
In light of the obvious restrictions, a second order set of criteria were selected to distinguish between projects which have experienced success vs. failure. The 81 low-income region projects were examined for the extent to which they had been successful according to the following criteria:

- enabling disabled people to generate income through self-directed employment.
- remaining in operation for at least 2 years,
- having a significant impact (ie. either by working with individuals having high needs or by impacting a large number of beneficiaries),
- · promoting businesses which appeared economically viable and sustainable, and
- having innovative features.

Based on these criteria, 27 projects were judged to be or have the potential of being highly successful, and 8 were characterized as low in success. The remainder were either of middling success or it was difficult to determine their level.

What seems to distinguish high success from low success projects is the number of strategies employed to support beneficiaries. High success projects typically used a greater variety of strategies (44% employed five or more), whereas low success projects typically used fewer strategies (50% used only one or two strategies — usually limited to funding and training). The differences in strategy use by low and high success initiatives are illustrated in Table 16.3.

Figure 16.5 illustrates the cumulative distribution of strategies used by projects judged to be high as opposed to low in success. It is



important to note the actual number of strategies used differs between the two groups. Successful projects use, on average, 4.1 different intentional strategies to assist disabled people to engage in self-directed employment. Unsuccessful projects, on the other hand, employ an average of 2.75 strategies.

COMMON ISSUES ACROSS COUNTRIES AND REGIONS

Having spent nearly four years examining self-directed employment strategies in many parts of the world, one is left with the impression that while there are substantive differences between the regions, the similarities are over-riding. Some of the differences are obvious. Disabled people in low-income countries face tremendous challenges in generating sufficient income for basic survival, let alone in the pursuit of a quality of life that is taken for granted in high-income countries. Yet, the very challenges also have led to many examples of creativity.

Forced to be creative to survive, they also have lessons to teach their colleagues in high-income countries.

The similarities are no less evident. Disabled people face discriminatory practices in all countries, sometimes directly, sometimes indirectly. Well meaning supporters sometimes end up being unhelpful. Political and policy issues often serve to frustrate opportunity. A few of the issues which emerged follow in summary form.

1. Equity and Competitiveness

Reports from project researchers in both low and high-income regions reiterate the findings of previous reports that, typically, disabled people face implicit if not explicit discrimination in seeking wage employment: they have less education than non-disabled people: they have less experience in business related areas including knowledge on how to develop a sound business plan, how to market, etc.; and, they have difficulty accessing funding to capitalize their ideas.

The differences that impact on participation in the market place by disabled persons largely are attributable, on the one hand, to the extent that countries have developed and implemented policies which promote equity; and, on the other hand, the extent to which the countries promote policies which encourage modern business practices. Repeatedly, researchers reported the importance to project beneficiaries of policies which encouraged fair access to resources and support with overcoming barriers associated with being disabled. In no country could it be said that disabled people as yet have equitable access to the necessary training, experience and resources enabling them to participate as equals in the economies of their societies.

2. Separation of Function

Enterprise development projects sometimes got into difficulty when resource personnel attempted to undertake tasks for which they had little experience. For example, some initiatives began with an Awareness Raising strategy. As beneficiaries became interested in self-employment options, personnel who had functioned successfully as 'animateurs' attempted to become 'business advisors'. At such a time these projects began to fail. Similar examples were found in the application of other skills. A clear lesson was that personnel with sound business orientation were not likely to do well as social animateurs, and personnel with community mobilization skills were not likely to be good business advisors. The same seemed to be true of skills associated with other strategies.

3. Political Manipulation

In some countries politicians or state officials with questionable ethics sometimes undermined sound programs by mis-representing their purpose for political gain. For example, in one country a loans program was misrepresented as being a grants program by politicians during the course of an election. This perpetuated a charity ethic and undermined attempts at promoting sound business practices and, by extension, undermined improvement of local economies as well as the economic independence of persons with disabilities. Examples of real or attempted manipulation likely could be found in most countries.

4. Impact of the Inter-dependent World Economy

Increasingly the economies of countries around the world have become inter-dependent. In turn, such inter-dependence is a factor to be considered by businesses developed by disabled people. For example, business in the Philippines suffered when the country removed the Marcos regime. Self-directed employment programs such as Micro Link suffered a down-turn in the number of orders received since the international market place had less faith in the ability of Philippine-based manufacturers to deliver products on time. When the civil context stabilized, business improved. Interviews with disabled people at Micro Link, though, indicate they would rather be subject to the rises and falls of the international market place, than remain dependent in sheltered work or non-work settings.

While the inter-dependent trade networks present potential problems, they also offer significant opportunities. Enterprises such as Micro Link in the Philippines, DEEDS Industries in Jamaica, Lebenswelten in Germany and others benefitted by being to capitalize on international markets.

5. Social Welfare Policy and Self-directed Employment

Reports from high-income countries consistently show that existing ways in which social welfare policies are implemented contribute a variety of disincentives and barriers to disabled people wishing to pursue self-employment options. Whether in Canada, Germany, Britain, Japan, the USA or Australia, the primary problem appears to be that essential supports are lost as a person with disabilities starts earning an income of any size. Much more desirable would be the development of policies which allow for the gradual phase out of supports as earnings rise.

6. Inclusion of Disabled Persons in Planning

Data from this project indicate there is a growing amount of experience by disabled peoples' organizations in developing and operating

projects leading to self-directed employment. This bodes well for future planning. Indeed, those countries making the greatest gains in enabling disabled people to be economically integrated, also have taken the step of ensuring that disabled people are involved in such planning as affects them.

CHAPTER 17 Foundations of Self-directed Employment

Aldred H. Neufeldt and Alison L. Albright

INTRODUCTION

What is the implication of all the information presented? How can it be put to use in supporting more disabled people generate their income through self-directed employment? These and similar questions bring us back to many of the issues explored in the beginning chapters.

In response to the first question, it is clear that a complex variety of factors contribute to successfully developing and sustaining a business. By itself that is neither a new nor novel insight. Many books and articles have been written about the challenges of entrepreneurship.

The novel dimension is that the experiences presented illustrate the particular challenges faced by disabled people, and how people who have been systematically disadvantaged in their societies have been enabled to overcome them. The strategies and models of approach are in varying ways unique — involving a mix of fairly well known approaches with relatively new ones that were devised to surmount the particular challenges posed by disabling environments and conditions. Answers to the second question, then, are to be found in this mix and form much of the discussion below.

AN EARLY VIEW OF THE ISSUES

Some of the challenges encountered in pursuit of self-directed employment, and possible solutions, were identified fairly early in the research process. Researchers from low-income regions were brought together in the context of Independence '92, an international conference at the conclusion of the U.N. Decade of Disabled Persons, in Vancouver, April,

1992. Our agenda was to compare notes on progress in the research, and to determine what had been learned up to that point. Ten key points came out of the discussion:

- · disabled people are not included in national economic systems;
- · access to available resources is limited;
- support organizations and aid agencies which promote income generation (read 'self-directed employment') projects often are inspired by welfare considerations rather than business principles;
- conscientization strategies hold promise to raise awareness, but good community animators sometimes are tempted to become business advisors at which they fail;
- disabled peoples' organizations pursue two kinds of income generation objectives: (a) self-employment for individuals and groups, and, (b) businesses focussed on income generation for the organization both approaches experience significant difficulties in the implementation;
- financial support is usually emphasized more than technical/managerial support;
- income generation projects often fail because insufficient effort or thought has been given to the orientation and entrepreneurial skill level of the person or group;
- income generation projects may be unsuccessful as a result of unsupportive environments — political, economic, policy, climatic, social, legal — leading to a question of how we can create enabling environments;
- income generation activities are made vulnerable when sponsoring organizations: create dependency by providing too much support, withdraw support too quickly or during critical periods, and fail to evaluate and follow-up on their investments;
- income generation initiatives sometimes fail just as they begin to show signs of being successful.

A reading of earlier chapters underlines most, if not all, these issues. The only surprise, perhaps, is that disabled peoples' organizations have become involved in self-directed employment initiatives rather more than had originally been anticipated. It also is evident from the success stories described that ways can be found to either avoid or address problems and issues identified above. The remainder of this chapter focusses on these.

FOUR FOUNDATION STONES

An analysis of the results previously described leads to the conclusion that a successful approach to enabling disabled people achieve self-directed employment is built on four essential ingredients — foundation

stones. Without their presence both initiatives promoting self-directed employment and individual disabled people are likely to fail. The four foundation stones are:

- a self-directed identify:
- · the right 'know-how':
- accessible, appropriate resources; and,
- an enabling environment.

Central to the entire enterprise is the person (or persons) who propose to undertake their business. To be successful, they require a self-directed identity. The person needs the support of the next two foundation stones — 'know-how' relevant to the business, and accessible resources appropriate to the business. The final foundation stone underpins all of the others — an enabling environment. The remainder of this chapter examines each of these in turn, identifies the strategies relevant to putting each foundational stone into place, and the cautions to be exercised in the process.

SELF-DIRECTED IDENTITY

One of the observations made by Harper and Ranahandran (1984) is that the main determinant of the success of any new enterprise is the man or woman who starts it. In some ways this is a truism. Obviously a business is dependent on the person who starts it. But, not all people are equally successful.

Running a business successfully, no matter how small, requires self-confidence, energy, a willingness to take risks, skill, and intimate knowledge of the local economy according to a variety of sources (cf. Fluitman, 1989; ACCION International/the Calmeadow Foundation, 1988). The first three (self-confidence, energy and willingness to take risks) are inherently related to how one sees oneself. If one has little self-confidence, it is unlikely that one will be capable of organizing a successful enterprise. The person with little self-confidence also is not likely to have the kind of energy level needed to overcome the barriers bound to be encountered in setting up a business, nor to take the risks involved. Thinking about oneself as self-directed, then, is an important prerequisite to pursuing self-directed employment.

Are Entrepreneurs Born or Made?

How one answers this question has a direct bearing on how one should approach the task of promoting self-directed employment enterprises. There are arguments in both directions. On the assumption that some people inherently 'have what it takes', some organizations take considerable pains to identify prospective entrepreneurs before they start a business. For example, the ILO in some of its projects intentionally promotes a philosophy that "self-selection (of suitable clients) is best ... get them to do the necessary preparation work such as the development of a business plan and proposal" (Fluitman, 1989). A presupposition is that successful business operators are those who use their own initiative to develop the necessary skills, and seek out access to the necessary resources.

The loans project in Kenya reported in Chapter 6 represents an example of such a philosophy in action. Of course, part of the reason for seeking out 'self-starters', people who have initiative, is to increase the percentage of success amongst businesses supported through the loans program. That is a fair enough rationale to gain support for other future loans programs, but it obscures the fundamental question of whether individuals necessarily are 'born' to be entrepreneurs.

Certainly, there is more to it. Most societies, for example, have within them ethnic sub-groups who are known for their entrepreneurial skill. Do they all come from a gene pool which predisposes them to run businesses? Or, as is equally as probable, have members been cultured into the role? In all likelihood, there is an element of both predisposition and learning. Not everyone has the same tolerance for uncertainty or risk taking. By the same token, not everyone has the same opportunity to learn how to take risks wisely, or how to cope with uncertainty.

In truth, there appears to be no definitive answer. It seems probable that most people have some capacity for self-employment. In low-income countries a large proportion of people (forty percent or more) are involved in some kind of self-employment, as reported in Chapter 1; but, not necessarily everyone participating either likes it or is good at it. The reason for the many micro-enterprises in low-income countries, much of it in the 'informal economy', is in good measure because the money earned is needed for survival. Indeed, a number of authors point out that the real problem for many of the people in the 'informal economies' of low income countries is that they have few skills or abilities to progress much beyond bare subsistence level at present.

A much lower portion of people in high-income countries are selfemployed (between ten and twenty percent), largely attributable to past emphases on employment in the wage sector within large scale enterprises. But, with the growth in international trade, the 'down-sizing' of large enterprises in the OECD countries, and the growing importance of small enterprises in domestic economies, an increasing portion of the labour force in high-income countries is reported as becoming selfemployed.

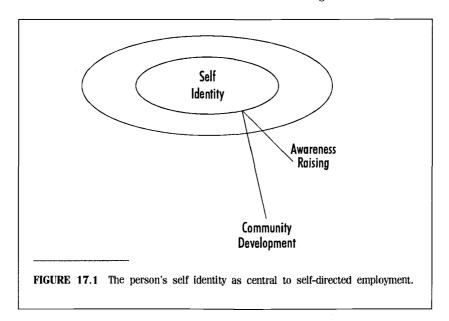
What proportion of any country's population will ultimately prove themselves to be adept as entrepreneurs remains to be seen. Having said all this, based on our study it can be said with some confidence there appears to be no inherent reason why disabled people shouldn't participate in self-directed employment at least to the same level as others. Participants in the many initiatives we examined didn't always begin with great self-confidence; but, many were enabled to discover in themselves that they had 'the right stuff' by making available opportunities and supports.

Awareness Raising and Community Development as a Strategy

A common observation by our researchers in low-income countries, and to a degree in high-income countries, is that not nearly all disabled people think of themselves as potentially being capable of meaningful work, let alone running their own businesses. Most of this is directly attributable to the 'illusions of disability' described in Chapters 1 and 2 (expressed through families, neighbours and agencies) which have promoted states of either dependency or outright rejection. As a consequence, a sizeable portion of disabled people do not have even foundation abilities in literacy or numeracy, particularly in low-income countries. Beyond need for schooling, many have not had an opportunity to acquire the skills or experience required for basic work habits, let alone developing sound business plans — a factor to be considered in high as well as low-income countries.

Disabled people in all countries are amongst the poorest of the poor, and most in need of help in gaining some regular sources of income. Yet, the disempowerment evident means that fundamental issues of insight and motivation need to be addressed. A sense of self-reliance and of contribution to community are prerequisites to considering small enterprise development.

As illustrated in Figure 17.1, awareness raising (conscientization) and community development strategies appear to be the most appropriate way to address these issues. In low-income countries a relatively low portion of projects overall (30%) intentionally built in awareness raising and community development components. However, of the high-success initiatives 44% employed awareness raising strategies, contrasted with none of the low-success ventures. An additional number of projects identified the need to challenge existing thinking and attitudes so that disabled people would muster the motivation to pursue long-term objectives rather than relying on habits revolving around the immediate



future. In some projects entrepreneurs with disabilities served as effective motivators.

In high-income countries only 18% of self-directed employment initiatives had an awareness raising component. However, in most of these countries there exist strong disability organizations which promote 'awareness raising' as a part of their normal activities. When such organizations are in place there is less need for awareness raising to be a strategy as part of a venture promoting self-directed employment.

Participatory decision-making processes normally were at the heart of such initiatives. Nine projects combined social animation with community based rehabilitation (CBR) approaches, first to identify disabled people, then help them become motivated to become self-directed. An often related practice was to promote the development of cooperatives as a means of pooling resources, providing mutual support, and encouraging a sense of self-control and autonomy.

Collective action and a sense of solidarity have been at the heart of the disability movement and its achievements. The success of conscientization strategies has been in their ability to unleash founts of enthusiasm from groups who discovered a common voice around issues of mutual concern. The combined energy is much more than could be expected from the same number of individuals alone. In short, conscientization strategies seem to be an important ingredient to promoting self-directed employment, particularly in situations where people have

little perception of themselves as being capable of meaningful involvement in their society and the local economy.

Cautions and Limitations

Enthusiasm for conscientization and related approaches does not always lead to the desired results. For example, the findings from a number of projects were that organizing a cooperative structure does not by itself ensure group cohesion. While the cooperative concept has much in its favour, it is vulnerable to being undermined by individual self interest, particularly when cooperative values are neither well understood nor put into practice.

A second observation in this and previous works (e.g. Fluitman, 1989, p. 49) is that social animators often gave priority to 'process' over 'content', and sometimes adopt anti-technical and anti-scientific biases in their interventions. While process is important, it should lead to some productive outcome. If the purpose is to help people become economically self-reliant, then content related to such outcomes must be part of the consideration when using conscientization processes. While it may be wise to have some scepticism about new and emerging technologies; never-the-less, successful income generation to some degree has to come to terms with technology. Indeed, all of the successful projects examined made adaptive use of technology in some form; and, in those successful projects where conscientization strategies were employed, these were invariably tied to the notion of becoming more economically self-sufficient.

Another caution relates to cost. Conscientization efforts are not inexpensive. They require considerable commitment of personnel time and, consequently, resources. As well, the short term effects are often difficult to measure (Mann, Grundle & Shipton, 1989).

Before concluding the cost is too high, though, it may be useful to remember that an investment in awareness raising can pay good dividends even though the payoff may be some time in coming. All societies invest in formal education (such as through technical colleges and universities), the results of which take considerable time to be evident. Similarly, it is not unreasonable to assume that programs which promote small enterprise development as a by-product of awareness raising and motivation building are a good investment. Evidence from a number of the successful projects examined suggests that, over time, the implementation of processes which enhance peoples' motivation and sense of empowerment, combined with supported decision-making based on participants priorities, does pay off. The community-based development approaches in the Philippines present one excellent example. The first step in the program was to generate awareness both in

the communities and disabled people that there were possibilities beyond being dependent on one's family. Not all families or disabled people necessarily adopted the idea. But, with time, an increasing number decided to risk the possibility that self-directed employment options might offer a way towards personal improvement.

THE RIGHT 'KNOWHOW'

The second foundation stone is having the right 'knowhow'. 'Knowhow' is a slang expression which refers to some combination of knowledge and skill. Next to having confidence that one is capable of beginning and sustaining a business, three kinds of knowhow are important to succeeding: literacy and numeracy, technical skills related to the kinds of work one wishes to do, and business practices.

In recognition of its importance, an emphasis on training was present in the largest portion of initiatives examined. Of the 81 low-income projects, 76% had a training component; of the 17 high-income country initiatives, 82% did. We also found that 82% of high-success and 75% of low-success projects used training as a strategy. While training by itself does not automatically lead to success, a business person who does not have one leg firmly planted in the right 'knowhow' is even less likely to succeed.

Three Kinds of Knowhow

Literacy and Numeracy

At the most fundamental level, it is critical to have basic skills in literacy and numeracy. Fluitman (1989), along with other writers, has made the observation that lack of literacy and numeracy skill may constitute the single most restrictive barrier to occupational progress for people in the informal sector of low-income countries. Limited skills in these areas both prevent people from taking advantage of formal training opportunities, and seriously restrict the range of possible kinds of employment that might be pursued. The same could be said of conditions in high-income countries where the demand for abilities to read and to work with numbers is even greater.

In our study respondents from five projects indicated that limited education and literacy ability of project beneficiaries made it difficult for them to engage in self-directed employment. Such observations confirmed previous statistical studies which report much lower educational levels for disabled people than their non-disabled peers. In low-income countries in particular, attention to literacy and numeracy cannot be overlooked as a basic prerequisite for people entering income generation projects, given that access to education often is a problem.

Technical Skills

Technical knowhow is a critical ingredient to success in generating income without question. Even the simplest of tasks have technical components, and with increasing dependence on technology to enhance production or services the technical skill requirements are bound to increase. However, technical skill training is a complex matter. The nature and level of skills required for small micro-enterprises are as diverse as the kinds of products or services there are to be provided. Project interviewees stressed the importance of training for 'market oriented' skills; that is, skills for the kinds of work which have a market.

Business Skills

Not only do disabled people often lack the requisite technical skills for self-directed employment, the vast majority also have no prior business experience. Given that reality, and the fact that all of the initiatives we examined had as part of their aim to help disabled people succeed in business (rather than in wage employment), it was disappointing to note that less than one-quarter of the projects in low-income country initiatives provided training which could be said to improve business management skills such as in business planning, market planning, financial management, personnel management and others. A higher portion of high-income countries made access to business skill training a priority. When it was provided, virtually all respondents considered such training essential, and most felt there should be even greater emphasis on these skills. In projects where business skill training was not provided, an additional twenty-five percent of respondents mentioned that its absence was a definite constraint.

When we examined the sub-sample of 'successful' vs. 'unsuccessful' initiatives, we found that over half the 'successful' projects provided some business skill training whereas none of the 'unsuccessful' ones did. Of the successful projects without training, most had some form of in-built way of acquiring business expertise. An example is found in DEEDS Industries, Kingston, Jamaica (see Chapter 7). When initially set up as a subsidiary by the Combined Disability Association, the leadership of DEEDS was vested in individuals with strong credentials as leaders of the self-help organization. Some had university training, but none had any sizeable amount of experience in business planning, marketing, personnel management, quality control, or finance management. Within two years it became apparent that the company would have to close unless changes were made. A new manager with a business background was hired. Procedures were put into place to ensure quality of production and control of financial expenditures. A marketing plan was developed, and the company's fortunes turned around. Many of the workers now are purchasing their own homes through earnings, and DEEDS Industries appears to have a profitable future.

It is clear from our study, and other reports, that if self-directed employment initiatives are to be successful, there has to be a way of ensuring that people in leadership positions either have business knowhow or have access to such knowhow. The market environment demands no less. People running their own small businesses don't need to be experts in all areas — consultants can be obtained to provide expert advice when needed. But, they need to have at least rudimentary knowledge of business planning, money management and marketing.

ACCESSIBLE, APPROPRIATE RESOURCES

Training Approaches

No single method of training stood out as the preferred choice in the studies we examined. A variety of approaches were used. Some content was taught in a formal way through classes or seminars. Other content was conveyed through an 'on-the-job' training approach, sometimes with an apprentice model and at other times in training centres. Some training involved both formal classes plus on-the-job approaches. Sometimes training was designed for individuals, at other times for groups. Training might be provided by volunteers, or people hired for the purpose. Training personnel might come from outside the enterprise which organized the training, or they might be employees of the enterprise.

The use of such a variety of approaches, as well as the variety in content, is heartening. It underlines what we know to be true — that what is appropriate training can only be decided on a case by case basis. At the same time, the data showing a minority of projects provided business skill training, supported by observations of researchers, indicates that insufficient thought has been given to methods of conveying business knowhow to the target groups of the various projects.

An extensive amount of experience has been accumulated by a variety of international organizations as to how best to organize training so that it is appropriate to the purpose. In employment related matters the publications of the International Labour Organization provide a good overview. If one wishes to set up a project, the purpose of which is to prepare disabled men and women for self-directed employment, the general consensus would seem to be the following.

First, it normally is desirable to undertake a *training needs assessment* (see Richter, 1986). A training needs assessment involves matching the interests and aptitudes of the people to be trained with real opportunities identified through market research. For people already

working, the assessment involves looking at what they do, how they do it, and how well they do it. When planning for a group of individuals, the assessment generally involves two stages — first, to determine the range of possibilities for the group, and later more specific planning for individuals. The assessment itself may involve a community survey (both to identify work possibilities and to generate publicity), interviews, tests, and techniques such as work study and task analysis.

Second, it is useful to review how and where those who already work in the desired field have acquired their skills, and then build on the methods used. A variety of approaches were successful in initiatives we studied. One was simply to expand on and improve existing training modes. In these situations effort was exerted to ensure that traditional apprenticeship, technical school, private for-profit, or other existing training programs were accessible to disabled people. Sometimes non-traditional sources were found in the region. For example, several of the projects in our study used the resources of local non-governmental organizations to provide business management training. In other situations the resources were either not present or not appropriate. Then planning and arranging for a new training initiative was a logical step.

If a number of people in a given geographic area are to learn the same skills, a 'training the trainer' approach may be useful. In this approach several individuals who have proven themselves to have leadership skills first receive the relevant training. They then train the other people wanting to learn the skills. This approach likely works better in a wage employment setting than for teaching skills related to setting up micro-enterprises, but should not be discounted as a possibility.

Third, training which ensures the opportunity to practice skills to be learned, along with 'head learning,' usually is the preferred approach. This is particularly true for technical skill training, but is also true for topics which are more 'head learning' oriented. For example, learning to prepare a business plan involves 'head learning', but the practice component might be to use case studies, or to prepare one's own plan and have it critiqued by knowledgeable mentors who are themselves successful in business.

Fourth, a modular approach which breaks up the training program into relatively small, self-contained chunks may be the most suitable. This allows for greater flexibility in scheduling, and allows one to schedule topics in whichever order best fits the learning needs of participants.

Fifth, it is critical to ensure that people doing the training are in fact knowledgeable about the content to be taught, and that they have the teaching skills required. A trusting relationship between trainer and

trainee is important. The absence of either the relevant knowledge or ability to communicate that knowledge very quickly leads to a breakdown of relationships.

Cautions and Limitations

Having said all of the above, there are a number of cautions and limitations to consider.

The first is not to under-estimate the potential abilities of disabled people. A frequent criticism of traditional vocational rehabilitation centres has been that they have over-emphasized acquisition of simple skills regardless of previous interest or experience. This is a criticism to be avoided when training for self-directed employment. The risk of under-estimating the aptitudes of disabled people is that it leads to unproductive work and limited potential for economic independence. A person with low self-confidence may have little sense of what he or she wishes to do, and may present as someone of relatively limited capability. But, once some measure of confidence has been attained the picture can change radically. Consequently, technical and business skill training is best accomplished if it remains open to revision to suit participants' growing and changing aspirations.

A second caution is with respect to the breadth and scope of training being planned. The majority of technical assistance programs in low-income countries still seem to be aimed at a narrow range of economic activities which have limited connection to the market place (cf. Fluitman, 1989, p. 55). Classic examples of income generating activities frequently promoted for disabled people are the caning of chairs, weaving of rugs and making of handicraft items. In every part of the world tasks such as these have been at the heart of sheltered workshops. More recently they have become transplanted into home-based work initiatives. Research on the economic improvement of women in low-income countries has shown that raising income levels through such schemes has been the exception, with markets often saturated or non-existent, economies of scale difficult to achieve, raw materials scarce, and technology rudimentary. The same could be said to be true for similar handicraft based businesses of disabled people examined in this study. While handicraft production should not be ruled out as a possible source of livelihood, for technical skill training to lead to some meaningful improvement in economic well-being it must be based on sound market analyses and a consideration of resourcing factors.

Third, it shouldn't be presumed that people receiving technical skill training don't want and shouldn't receive business skill training (or the other way around). The absence of business skill training was perhaps

the biggest single deficit of the various projects we reviewed. Yet, for people to become self-directed in their employment, such training is essential.

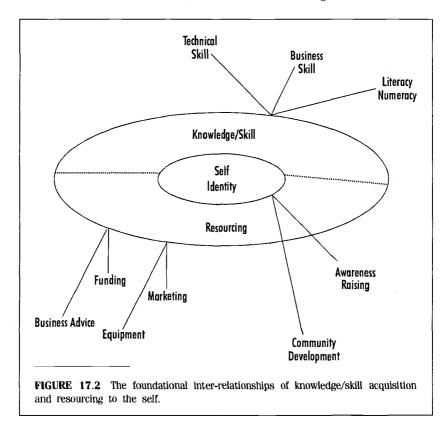
Fourth, the methods of training chosen are not always transferable from one place to the next. For example, the kinds of resources and opportunities available in rural areas are quite different from urban. Different implementation methods are likely to be required for each.

Fifth, personnel who are effective in one kind of training role are not necessarily effective in another. In some projects, technical skill educators also permitted themselves to become involved in business skill training (or the reverse) — rarely with success. In a number of projects personnel who had been successful as social animators or community developers, later tried to provide consultation or training in business management. Again, very few were said to be successful in both roles. Such observations underline an important observation from systems studies; namely, that for developing initiatives to be successful it is important to have a clear separation of function between roles. The tasks (and skills) needed for conscientization are much different than those needed for setting up an entrepreneurial enterprise. Skilled animators are needed for the former, experienced business skill trainers for the latter.

Sixth, training by itself is not sufficient. What was evident from the most successful initiatives is that all were oriented towards preparing the individual, or a group, to successfully survive in the market area chosen. Training was an important component of this. However, other resources and supports also were essential. It is not surprising that the 27 most successful initiatives used an average of four or more strategies (46% used five or more), of which training usually was only one. In contrast, half of the 8 least successful projects used only one or two strategies.

RESOURCING ENTREPRENEURIAL INITIATIVES

Ray McIsaac, Director of the Bay St. George Community Development Corporation, seeks to help intellectually impaired men and women set up and operate their own businesses (see Chapter 11). Critics often suggest that these people aren't really capable of making their own decisions, and that the advisory groups who help with shaping business plans are really in control. His response is: "We often forget that very few people make business decisions completely on their own—there are consultants, advisors, accountants, lawyers. People are supported in decision-making. What we have put into place is *supported decision-making* for people with intellectual disabilities."



The idea of 'supported decision-making' illustrates a point relevant for developing self-directed employment options. Setting up a business enterprise takes much more than just an idea (awareness) and the right 'knowhow'. It requires a variety of resources. Figure 17.2 illustrates the important relationship of resourcing to both the potential business person, and to 'knowhow' acquisition. A person's concept of self is bound to change both as a result of acquiring new knowledge, and as a consequence of obtaining access to resources. Similarly, resources are likely to be made more available as the person becomes more confident, and as knowhow is demonstrated.

Commonly needed resources are access to consultative backup, assistance with marketing, funding and equipment. If the would be business person lacks the necessary capitalization (funding or equipment and supplies), the business is at risk of failing even if sound market analyses have been done. Another risk for a new enterprise are unanticipated problems or issues likely to arise during the early stages of business development. Without access to consultative advice from

experienced people, the enterprise may stumble into crises out of which it cannot recover. Observations on these three kinds of resources as derived from this study follow.

Business Advisory Services

Availability of a knowledgeable consultant to help solve problems once an enterprise has been started was viewed as one of the more important resources for business success. Overall, nearly half (48%) of low-income country and 94% of high-income country projects examined in the study arranged for business advisory services to be available to new enterprises. Even though such services were not always used by disabled people newly setting up businesses, the availability of consultation was viewed as reassuring in that it could be drawn on if needed.

The kinds of consultation available included advice on administrative problems, financial management, access to funding, marketing strategies, conducting feasibility studies, on-site technical assistance, and solving production problems such as product upgrading and quality control. An additional number which had not provided such services mentioned the need for monitoring of new business initiatives, and ongoing follow-up through regular meetings with beneficiaries to provide consultation and guidance.

A higher than average proportion of the high success initiatives (17 out of 26, or 65%) provided such consultancy services. But, it is also of interest that 5 of the 8 low success projects (63%) also made consultancy services available. What these data indicate is that making advice available by itself is not sufficient for success. In some cases business advisory services were promoted as a substitution for focussed skill training, rather than as a complement. In other cases it seemed that advisors did not have expertise on topics they ostensibly were giving advice on (such as the successful project developer or animator who allows himself to be drawn into the role of business advisor).

The advantages of business advisory services seem clear for anyone beginning a new enterprise. They seem particularly relevant for individuals or groups with little prior experience in entrepreneurship, a category into which most disabled people fall. Motor, sensory or intellectual impairments often have prevented meaningful participation in the skill training programs available. As neophytes in business, they may not know about locally available raw materials, market services or other resources. Consultation to the work-site can overcome at least some of these barriers. Even if one has participated in technical and business skill training, transferring lessons from the classroom can be a challenge. Harper (1984) makes this point when he observes: "(the

advisor) ... can generally orchestrate an integrated package of assistance to his client because of his knowledge both of the reality of the enterprise and the variety of services available."

Cautions and Limitations

Three cautions are worthy of note. The first has already been made: consultants are not gifted with knowledge or skill in all areas. There are rare exceptions, of course; but, just as in skill training one wants to ensure the person providing the input has the requisite expertise, so too in the choosing of advisors. This point can be expanded even further to a general principle: ensure that the consultant you choose has expertise in the area you need help in. A consultant in financial management may not necessarily have expertise in marketing or production.

Second, avoid becoming dependent on external experts. Two projects specifically reported that such dependency contributed to an inability of local personnel being able to take over leadership responsibilities on their own once external support was withdrawn. Clearly, in these instances the consultants had allowed themselves to become managers rather than advice givers. A fundamental error was that the advisors did not ensure their knowledge was successfully transferred to the supposed beneficiaries. Conversely, individuals receiving the advice seemed to have given up their role as 'owners' of businesses. An owner has the power and obligation to choose what advice is wanted. Giving up the owner's choice can easily happen, of course — particularly when the business owner lacks self-confidence and experience. A consultant's ability to reinforce beneficiaries' confidence in their knowledge and skill becomes a key measure of whether or not the consultation has been successful.

Finally, the cost of such services often present constraints. Budgets which are hard pressed to meet day to day operating costs, often have little flexibility in them for the cost of business advisors unless such costs are specifically built in. The number of credible and able consultants also are limited, particularly in low-income countries. Cost efficiency gets to be a question because individual advisors are limited in the number of beneficiaries they can reach. People in remote rural areas become particularly disadvantaged.

Cost-efficient approaches are plausible, though. Based on experience in Africa and Asia, Harper (1984), for example, proposed that low-level consultants can be useful in helping micro-enterprises with basic and common planning, management or marketing problems. The approach is to choose young adults with above average education for their country and train them to follow a simple diagnosis procedure leading to a

number of relatively straight forward solutions. These would be closely supervised by highly qualified and experienced personnel to ensure that any mistaken advice is recognized and corrected before any damage occurs.

Another way to improve cost-efficiency is for business advisors to help small groups within a given community, rather than individuals. Fluitman (1989) reports on the usefulness of self-help groups of business owners who meet at convenient times and locations. Advisors help the group identify problems in their enterprises, and search for practical solutions.

Further, there are a growing number of not-for-profit groups who make available the advice of experienced business people. Such groups often are staffed by successful business people who have retired, and who make their time available with little or no charge. Such groups exist in both high and low-income countries.

Projects in our study which used consultancy resources with some success had a variety of approaches. The most successful seemed to be those where consultants made systematic follow-up visits to beneficiaries as a condition of having received a loan, or being part of a production and marketing network. In these instances there was an external motivation for beneficiaries to seek the consultation, in addition to their own wish to do well—they could potentially lose access to additional funding or markets for their products, or both. Given a relatively common human propensity to want to succeed on one's own, and to hide one's (potentially embarrassing) problems, some mix of external and internal motivators may be important when making available business advisory resources to a group of individuals with little previous business experience.

Financial and Other Forms of Capitalization

Capitalizing a new business is one of the biggest constraints to forming small business according to a number of sources. In response to what seems to be a wide-spread conclusion, 89% of low-income country projects we reviewed providing access to funding — the single most popular strategy. Twenty-seven percent also provided equipment or other forms of capitalization (of those providing equipment most, though not all, also provided access to funding). Of high-income country projects, the proportion was somewhat lower with 65% directly providing access to funding, perhaps reflecting possibilities for other sources of funding access.

A higher proportion of high success compared to low success initiatives (96% vs 75%) made funding available. This both illustrates

the central importance that funding has in setting up new enterprises, and the fact that funding by itself is not likely to be sufficient.

While only 27% of all projects provided equipment or other forms of 'in-kind' capitalization, both high and low success initiatives were more likely than average to do so, suggesting that this is not necessarily a significant strategy. At the same time, there were examples of successful projects where access to 'in-kind' material was significant in the absence of funding.

Example The Gallery Shankar Assembly of Disabled Persons in Nepal, for example, organized a cooperative to generate income by making woollen yarn for carpet manufacturers. Disabled people and their families were trained in yarn making, and provided with raw materials by the cooperative. The yarn is made in their homes, collected by the cooperative and marketed to carpet manufacturers. Carpet weaving has become one of the biggest sources of foreign exchange for Nepal in recent years.

Whether or not access to credit by itself is a sufficient strategy is debated in the literature. Given that most low-success projects we reviewed ensured some access to funding, and that they used fewer strategies than high-success initiatives, one might conclude that funding by itself is not sufficient. However, some groups with extensive international experience such as ACCION International challenge that view (cf. ACCION International/The Calmeadow Foundation, 1988; Otero, 1989). Their argument is that small amounts of credit can be used to buy raw materials at a better price, to upgrade one's equipment thereby increasing productivity, and to find niches in the local market to increase sales. They also argue that it is preferable to allow businesses to develop as much as possible with credit and encouragement, and consider more complex strategies later. At the same time, a reading of their materials suggests that persons receiving credit fulfil at least part of the criteria associated with the first two foundation stones — loan recipients have a self-perception as someone capable of running a business, and they have at least minimal technical and business skill.

Cautions and Limitations

Money, the lack of it and access to it, seems to be accompanied by a number of issues which were identified both by researchers on this project and previous writers. A number of the more evident ones are important to consider for their implication as to the way one resources self-directed employment.

One issue is whether money should be made available in the form of loans or grants. In the projects we reviewed funding was made accessible in a number of forms. Some provided grants for business start-up or expansion. Others offered credit at interest rates lower than those typically available (particularly as compared to those from money lenders) and with repayment terms that were flexible. Some offered credit without collateral.

The consensus of our researchers seemed to be that an enterprise is more likely to succeed if provided a loan rather than a grant. This is consistent with previous studies (cf. ACCION International/The Calmeadow Foundation, 1988; Fluitman, 1989). Loans seem to ensure greater commitment to sound business management principles, whereas grants are likely to be interpreted as 'handouts' and contribute to continuing poverty. As well, providing access to loans (preferably through commercial banks) overcomes the traditional perception of disabled people being the objects of charity.

However, overcoming deeply entrenched views of charity is not so easy, as discovered by a number of researchers. Three examples follow.

In South and Central America credit to Example 1. the poor traditionally has been the responsibility of social institutions. "First the government got involved, then the church, community institutions and NGOs. Each believes that credit should be given on a subsidized basis because poor people 'don't deserve' to pay market rates. As a result, even though credit was reaching the people, it wasn't sustainable" (Romero, 1990). Our researchers observed the same phenomenon. Loans in Latin America typically required little collateral. Contributors of the funds seemed to give an ambiguous message as to whether or not the loans were to be repaid. Hyperinflation only accented the inclination not to repay loans. And, when the lending agencies replenished their loan funds to support the needs of these poor disabled people, the cycle reinforcing dependency on the will of the government, of the religious order or political party was complete.

Example 2. A second example comes from the loans program in Kenya described in Chapter 6. Considerable effort was given to ensuring that the recipients of loans

made through a commercial bank had a business plan, and had some of the requisite technical and business 'knowhow'. Yet, at the time of a review by Metts, Metts, Oleson and Dodson-Echeverria (1993), the percentage of loans in arrears exceeded fifty percent. There were a variety of contributing factors. One of these was that both recipients and government officials often thought of these funds as being of international origin, and hence could (read, 'would') be forgiven. A second was that the bank seemed to prefer recovering loans in arrears from the guarantor (a fund arranged by the ILO) rather than following the usual procedure of taking action against the loan recipient. All of these seem reflections of the charity ethic, and of promoting continued dependency.

Example 3. Lest it be thought that such problems arise only in low-income countries, an example from a high-income country should make the point that the problem is universal. The province of Alberta in Canada has had a 'loans' fund called Capability Plus for disabled people wishing to set up business (see Chapter 11). Personnel administered the fund as if it were a loan. But, in reality the government did not have a capability of either making loan agreements, or of easily handling loan repayments. Governments in high-income countries are used to making grants and payments in return for services, but not of making loans. As a consequence, individuals who receive a 'loan' are only under a moral (but not legal) obligation to repay it an invitation for continued dependency.

A second issue has to do with source of funding. Reference has already been made to the desirability of using normal funding mechanisms to provide credit (see Mann, Grundle & Shipton, 1989). A world-wide problem is that formal banks often have been reluctant to lend money to people with little experience in the preparation of a business plan projecting cash flows, let alone little experience in running a business and with few if any assets. In addition, banks often claim that the costs of providing credit to small enterprises is too high. The argument partly is that the handling time for each loan application is too great, and that risk of default is too high.

Banks have the greatest amount of sympathy when it comes to the issues of loan default. However, it is not at all clear that people with little collateral necessarily are high risk when it comes to loan repayment. The experience of 'alternative banks', such as the Grameen bank in Bangladesh, has been that lending small amounts of money to poor clients without collateral was associated with repayment rates that are extremely high. Similarly, ACCION International and the Calmeadow Foundation have had high repayment rates with their loans programs.

Some of the key points of their approaches seem to be the following. First, the size of loan is kept modest, so that there is a reasonable capability of repaying it in a relatively short period of time. Second, interest rates are kept reasonable, though ACCION International's experience reveals that short term loans with higher than commercial rates are workable, particularly when such loans enable a 'revolving loans' program to cover its operational costs. Their observation is that small enterprise owners will rely on loans from money lenders with exorbitant interest rates if funding isn't made available. "The most expensive loan is the loan you don't get," is a comment made. Third, both the Grameen bank and ACCION or Calmeadow put an emphasis on strict loan repayment, and on the moral obligation of beneficiaries to do so in order that others may also benefit from loans.

In situations where defaults have been notoriously high, a model found to be successful has been to make loans to "loan circles" rather than to individuals. Typically such loan circles involve about five members. The rules of credit are that each member of the circle is responsible for every loan received by a member. No additional credit is given to any member unless everyone pays back their loans. This simple mechanism has led to dramatically improved loan repayment through peer pressure and cooperative effort. It also has had the positive side effect of encouraging mutual consultation and support amongst members of the group to enhance their respective enterprises.

Promoting Personal Savings

It often is felt that poor people aren't in a position to save money for their future needs. Yet, three of the initiatives we examined, all successful in promoting self-directed employment for disabled people, demonstrated that was far from the case. Two examples follow, both described in Chapter 3. Both examples challenge the myth that some people are 'too poor to save', as they?, vR work with the very poor.

Example 1. The Thai Christian Organization for the Handicapped trains beneficiaries in radio and television repair with the objective of helping them set up their

own electronic repair shop. During training they work in an electronics repair shop, earning a salary for the work they complete under supervision. Rather than giving all the earnings to a beneficiary, though, part is kept in a savings account at the centre. This money is returned to trainees when they are ready to set up their own businesses.

Example 2. MicroLink Philippines used a different strategy. This organization assists in setting up worker owned production cooperatives which market their products through MicroLink. One of the rules under which these cooperatives operate is with respect to any profits which accrue after expenses (including salaries) are paid out. One-third of the profits is shared amongst the members of the cooperative in the form of bonuses, and one-third is placed into a community development fund intended for improvement in the community where the enterprise is located (such as for digging wells, putting up basketball courts, etc.); but, the final third is put aside into a capital fund for either future expansion or to cover the cost of operating when a deficit may occur. This 'capital fund' is one of the factors which contributes to the possibility of these cooperatives becoming independent as sustainable enterprises, producing and marketing on their own.

Mann et al. (1989) and ACCION/Calmeadow (1988) argue that savings should be an intentional part of any financial assistance strategy. Savings should be promoted for the reasons that: it develops the habit of saving (no business can hope to grow without accumulating its own capital, and so doing encourages the saver to think about expansion); money on hand frequently is spent on superfluous purchases; any family emergency amongst the poor can use up working capital quickly and put the business owner back into the hands of the loans shark; and, with sufficient savings the owner will no longer need loans.

Marketing Assistance

Many business operators would agree that one of the major factors limiting the scope of self-employment is marketing of the finished products or services. That is why most training for business planning also involves developing marketing plans.

A reality is that unless there is demand for the product or service, the business will suffer. New enterprises typically enter a field already occupied by established ones. An essential part of development is a good marketing plan which studies existing and future demand for one's goods or services without cut-throat competition from the established enterprises.

In our study only 28% of all low-income country projects offered any form of intentional assistance in market creation or expansion. Even fewer of the high-income countries (18%) had this as a component, though typically a market plan was required of business plans seeking loans.

Of all the strategies, this was least used despite its importance to business survival. The high-success group of projects had a somewhat better record, with 46% providing marketing assistance, as compared to the low-success group where only 1 of 8 (12.5%) did. These findings are similar to those of other studies of employment creation (e.g. Muqtada, 1989).

Most micro-enterprises we examined began by catering to local markets. Products or services were sold directly to local consumers. Again, this is consistent with reports of previous studies such as those by Harper (1984), Fluitman (1989) and others. The scale of business usually was small, and not very profitable. At the same time, a number found ways of building their market base. A number of the creative approaches adopted follow.

Cooperative Marketing

Artisans make their living from their unique individual talents. Most also seek to sell their products on their own, usually with only modest success. One problem is that time spent in their artistic endeavour is time away from marketing. Conversely, time spent in marketing is time away from doing what most do best. To improve their marketing capability a group of disabled artisans in Costa Rica obtained a loan to set up an Exhibition and Sales Gallery. The Gallery enables them to set up and sell their merchandise cooperatively. They take turns in selling the merchandise produced by all. Increased market exposure has improved sales markedly.

Alternative models also have been developed. State marketing boards in some countries, for example, market products for artisans.

Incentive Sales Systems

An incentive system is used by the Thusani Association for the Handicapped in South Africa both to promote sales and improve the income of its members. It has a number of production cooperatives which pay volunteers to sell their goods on a commission basis. The more a volunteer salesperson sells, the greater the percentage of sales

he or she earns. This has been ensured vigorous marketing strategies. Incentive systems were quite common, in fact, amongst successful initiatives — either for marketing or for production, or both.

When there was no tie between individuals' incomes and product sales, then it also was not uncommon for problems to occur. An illustration of the problems encountered in the absence of incentive is provided by the Carpet Production Centre operated by the Ethiopian National Association of the Blind. The Centre has operated for twenty years and continues to rely heavily on donor funding (about 85% of total expenses). Workers are paid salaries that have no relation to either productivity or sales. Products are sold at below cost, and production languishes. This charity approach to both production and sales has limited development of a meaningful work ethic, prevented the development of new or different enterprises which would be more lucrative. As well, there is no flow through of workers because of their guarantee of continued income, thereby limiting the opportunities available for additional numbers of blind youth.

The problem just described is not unique to low-income countries. Sheltered workshops in North America, Europe and elsewhere provide many similar examples of where payment and productivity practices have been counter-productive. Organizations of disabled people have roundly criticized them because they have not led to either personally meaningful or remunerative work.

Sub-contracts, Production Contracts and Joint Ventures

An approach used by a sizeable number of the more successful initiatives was to develop sub-contracts with a larger scale business or set up production contracts with a marketing firm. Such marketing might be domestic, or international. Many domestic and international firms are open to sub-contracts. Their prime interest is getting good quality products on a reliable schedule.

Joint ventures are also possible. For example, at the time of our study MicroLink in the Philippines was negotiating with a large international clothing manufacturer to build and equip a sewing factory for one of its worker cooperatives. In the U.S.A. an Independent Living Centre (an organization of disabled people) set up a successful medical equipment manufacturing and repair factory as a joint venture with an oil company which had the funding, but not the expertise to know the needs of people with mobility and other related impairments. Several years later when the oil company decided to divest itself of its holdings not related to the oil industry, the Independent Living Centre purchased the equipment company outright.

Opportunities for setting up sub-contracts, production contracts or joint ventures are possible with enterprises ranging from relatively small companies seeking to keep down the number of employees they have to hire at any one time, to large multi-national firms. In the spring of 1993 Disabled Peoples' International sponsored two seminars with the business sector, one in Canada and one in the U.S.A. Discussions at these seminars indicated that a growing number of multi-national corporations view working with economically disadvantaged groups as being 'good business'. Their rationale is more economic than humanitarian. Helping broaden the economic base of the countries in which they locate by, for example, helping disabled individuals become entrepreneurs makes for more stable political environments, and hence increases the long term chances of being profitable.

The corporate sector is not the only option for sub-contracting or arranging market distribution contracts. A variety of non-governmental organizations have developed an interest in assisting disadvantaged people in low-income countries become more self-sufficient. A few of the projects we reviewed had distribution arrangements with such organizations. 'Alternative trade organizations' such as Bridgehead, SelfHelp Crafts of the World and others seek to ensure that as much of the sales revenue as possible is returned to the producers.

An alternative is to seek to replace an existing supplier of services or products to enterprises in one's locality, particularly if the supplier is some distance away and the local supplier can meet the service needs more cost efficiently. The Bay St. George Development Corporation in Canada has arranged a number of such contracts for its beneficiaries. For example, a nut and bolt refurbishing business supplies a local pulp and paper mill. The mill used to send its nuts and bolts a number of hundreds of miles away at greater cost.

Marketing Arms

MicroLink of the Philippines took a more proactive step. They began by setting up an international marketing arm of their own which negotiated production contracts. Contracts are negotiated with samples of products to be produced by their worker cooperatives. No large scale production is entered into until a contract has been signed. In addition, the director of MicroLink frequently attends international trade fairs and conventions to communicate with potential buyers, and to stay in touch with produce fashion trends and prices.

DEEDS Industries of Jamaica has a similar approach. With the support of the Jamaican Manufacturers Association which provided links with overseas organizations for marketing and technical assistance, DEEDS has developed a successful market throughout the Caribbean and North America.

Government 'Set Asides'

A more traditional approach used in the disability field has been to negotiate favourable arrangements with governments. They might decentralize their buying power or, as in some countries, set aside certain goods or services to be provided by organizations of or for disabled persons. The rationale is that governments, as representatives of the people, have an obligation to diversify their buying power so that it benefits at least in part those who are socially disadvantaged. While such arrangements have some risk of being seen as charitable, they also can lead to reasonable incomes if the product is valued.

For example, the National Association for the Blind in Gudjarat, India has an arrangement with the national telephone company for its beneficiaries to operate telephone booths (public call offices). Since most people don't have their own telephones, such public call offices are a valuable service. Fees are charged for use of the telephones (either to receive messages, or to telephone out), of which sixty percent goes to the telephone company and forty percent to the individual. In some Central American countries a similar approach is used to sell lottery tickets (see Chapter 8). Successful entrepreneurs do more than either manage a public call office or sell lottery tickets. They also offer 'add on' services or products, such as the opportunity to buy sweets or other items local customers might wish to buy.

High-income countries are not without experience in similar practices, though most were developed as a means of supporting sheltered workshops. Governments in North America and Europe often have created 'set asides' for a portion of products or services purchased which would be contracted out to organizations for disabled persons. The difference is that in the India and Central America examples, individuals set up their own businesses.

Creating Niche Markets

Some projects developed their own niche markets. One of the best examples comes from Colombia. Bogota is a rapidly growing, modern city. It has paid considerable attention to making its public transit systems accessible to disabled people. It also is a city with a rapidly growing number of automobiles, many of which head for city centre every day. However, the city had no regulated way of the public parking for cars. A problem for anyone regularly travelling downtown was that one would never know whether or not there would be a place to park. Even if you found a spot, someone else might park behind you and

prevent you from leaving. The association of disabled people saw an opportunity. They negotiated an agreement with city government to set up controlled parking areas on the streets where drivers could park their cars after purchasing a parking permit. Permits for these parking zones, called 'Blue Areas,' are sold by authorized organization members who also ensure orderly parking. Revenue from permit sales is shared between the city, the organization of disabled people and ticket sellers. Twenty-five members now earn a reasonable income from these Blue Areas.

Cautions and Limitations

Marketing is an essential part of any enterprise that depends on the sale (or trade) of products and services. There are some constraints to be considered, though.

First, there is both expertise associated with and a cost to marketing. New, particularly small, enterprises struggling to find enough money for basic operating costs often consider marketing a luxury which can be put off until some later time. The problem, of course, is that without a market there may be no later time. To help bridge the gap, some form of marketing assistance therefore seems important at the outset, particularly for micro-enterprises in their formative stages.

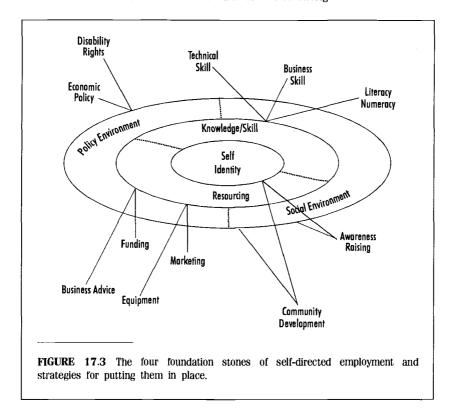
Second, marketing is not a one-time activity. Hindsight, as expressed by a number of the small enterprise projects we studied, revealed the consistent need for market research, and to identify improved forms of products and services to address customers needs.

CREATING ENABLING ENVIRONMENTS

The fourth and final foundation stone on which all the previous ones rest is that of an enabling environment (see Figure 17.3). What is evident from the high-success initiatives is that they all developed in an accepting and enabling environment. It seems doubtful that any of the initiatives could have survived without one. Those low-income countries where self-directed employment took root, to varying degrees, supported the idea of helping impoverished citizens generate income through micro-enterprises. A discussion of some environmental 'inhibitors' and 'enablers' which seemed to be factors follows. Enablers can best be understood if their opposite, inhibitors of self-directed employment, are considered first.

Inhibitors

One can think of inhibitors at a number of different levels. The most immediate have to do with the lack of self identity lending itself



to self-directed employment. Then there are the barriers to access education and training, or access appropriate experience and funding. At a more fundamental level, though, the inhibitors really are those factors that shape community attitude towards disabled people and public policy—the progeny of societal 'illusions' about disability as discussed in Chapter 2. Two in particular were cited with some frequency by researchers in both high and low-income countries: a deep-seated charity ethic, and discriminatory attitudes and policies.

Misguided Charity Ethic

An ethic which presumes to give credit, income, goods or services to others without treating them as equal, responsible or capable is misguided charity. The subtle and deleterious consequences have been illustrated in the unfortunate experiences with credit provision and other examples described.

Discriminatory Attitudes and Policies

Discounting of people's potential because of an impairment is discriminatory, as are policies which perpetuate barriers to education,

experience, credit or transportation. Every country examined still has in place to a significant degree policies which proved to be discriminatory in effect (even if not in intent).

Creating Enabling Environments

Social inhibitors can be overcome by assertive action. That seems a lesson from high success projects. One might expect as much, given that turning a blind eye has not proven helpful over the centuries. Two approaches were notable. One was a strategy to engage the citizenry of local communities as part of pursuing development of self-directed employment initiatives — a community involvement strategy. The second took place at the state level where attention was given to promoting disability rights oriented policies.

Community Involvement Strategies

There is some evidence that attitudes towards disabled people can be shifted in a positive direction by: (a) providing a positive image of disabled people in a way which seems out of context with what had been expected (and thereby creating what psychologists call 'cognitive dissonance'); and, (b) fostering personal relationships between individual community members and disabled people in normal community activities (such as in the work place).

Though not articulated in these ways, a significant number of the more successful projects used such tactics. About 31% of all low-income country projects examined in the current study actively pursued some type of community involvement. To illustrate their relative importance, it is useful to note that 42% of the high success projects used such strategies, while only 12% (1 out of 8) low success projects did so. Amongst high-income country projects only 24% used community involvement strategies in an intentional way. However, amongst the high-income countries where self-directed employment is being pursued with some vigour (ie. Canada and the U.S.A.), an extensive amount of participatory decision-making has become part of the norm for initiatives in which disabled people are involved. Consequently, it is the experience in low-income countries where the most illuminating experiences lie. There a number of different tactics were employed.

One tactic was to mobilize talents, skills and knowledge already existing within the community, and match these to the interests of individuals seeking to set up their own business. The method ranged from individual tutoring/mentoring to more formal training, supervising and advisory arrangements. Two examples highlighted the approach. The Philippines community-based vocational rehabilitation (CBVR) program has developed a significant track record of matching community

volunteers with individual disabled people. The Bay St. George Community Development Corporation in Canada, in contrast, sets up business advisory groups around each individual self-employment enterprise. Both have led to a variety of successful self-directed employment enterprises, and promoted acceptance within local communities.

A 'closer to home' version of the same approach is to engage the families of disabled people in the administration of their businesses, an approach used in a number of initiatives. The importance of having the involvement of a personal support group (often the family) was noted in Chapter 1. Such involvement encourages collective commitment to business objectives, and contributes to a change of family attitudes towards the disabled person in a positive direction. Researchers' reports of interviews in most, if not all, of the projects noted that disabled people felt their status had improved with their family and in their community once their own business was underway.

The role of community leaders, particularly as trusted sources of information, also was the concern in some projects. The Philippines CBVR program, for example, took considerable pains to involve local leaders when getting started in a new community. Volunteers were recruited through public awareness meetings. Community leaders participated in these by welcoming the CBVR personnel to the community, and making some positive comments about the importance of the work these personnel were engaged in. Participation of the community leaders helped break down potential barriers between the CBVR personnel and community, and thereby promoted acceptance of disabled people within the community.

A final tactic of note was for self-directed employment initiatives to make intentional contributions to their communities. We have already noted that MicroLink Philippines had an arrangement where each production cooperative reserved one-third of its profits for contribution to improvements in their local community. The community portion might be used to improve the water supply by installing a pump, to set up a basketball court for use by youth, or other measures which made a meaningful contribution to the impoverished neighbourhoods where these cooperatives were established. When enterprises owned and operated by disabled people made such contributions, their value in the eyes of the community was enhanced, and support increased.

All of these measures had a similar goal: to promote positive community involvement of disabled people, and thereby create conditions for the sustainability of their businesses. Though no data is available, anecdotal evidence from those projects where such tactics were adopted suggests that the goal was attained.

Disability Rights Promotion

A significant measure of how well disabled people are accepted in a country is the extent to which their rights as citizens are protected. Disabled Peoples' International and their member organizations, Inclusion International, along with allies in related organizations, have promoted the adoption of legislation which recognizes that disabled people are people first, and that practices which in effect discriminate against disabled people are unacceptable.

A number of countries in both high and low income regions of the world have taken action. Amongst those that have legislation promoting the rights of disabled people are Australia, Canada, the USA, the Scandinavian countries, Zimbabwe and the Philippines. In all these countries the relevant legislation was adopted through the strong advocacy efforts of disabled peoples' organizations.

While legislative measures by themselves do not improve the economic well-being of disabled people, the very process of gaining such legislation has boosted their prominence. In turn, the legislation provides a platform on which future development steps can be taken by disabled peoples organizations, non-governmental organizations, private sector companies and governments. If, for example, their rights are protected, then one has a legal basis from which to challenge the lending practices of banks, problems of access to appropriate training and education, and the many other issues and problems uniquely faced by disabled people.

Cautions and Limitations

One should not assume that having the right civil and human rights policies in place will necessarily lead to self-directed employment. Neither community involvement activities nor disability rights legislation by themselves lead to the setting up of self-directed employment enterprises any more than placing a ramp into a swimming pool ensures that people in wheel chairs will learn how to swim. The absence of an enabling environment, though, makes developing of a self-directed employment enterprise extremely unlikely unless the disabled person is possessed of immense personal self confidence, has the drive to overcome immense odds, and the backing of a family or other support network.

CONCLUSIONS AND A PROPOSITION FOR THE FUTURE

This book began with the story of Ms. Singer, and the many barriers she faced in pursuit of her business. While self-directed employment is not for everyone, for her it represented the most desirable means of becoming economically self-sufficient and part of her community. A framework involving three 'actors' was set out to help think about the kinds of issues that affecting the likelihood of Ms. Singer's success—the person/household, the market, and the state—influenced by a fourth, the 'eclesia'.

The story of Ms. Singer is the story of many disabled people around the world — in high as well as low-income countries. The findings of our research, condensed to the extreme, identified the essential nature of the 'four foundation stones' to enhance the prospects of success — for Ms. Singer and anyone else wishing to be self-employed. Their relationship to each of the three 'actors' can be briefly summarized as follows.

A 'self-directed identity' is most closely identified with, and likely to occur as the result of, a nurturing and supportive 'household'. When this has not happened, some learning strategies are possible; but, even then it is likely important for the would be business person to work at developing such a supportive network involving family or friends.

The 'enabling environment' is most closely identified with the 'state'. Governments are in the best positions to create the kinds of policies, both rights based and economic, which make it feasible for disabled people to pursue self-directed employment options.

The two middle foundation stones — the right 'knowhow' and accessible resources — lie in the space between the 'household', 'state' and 'market'. All three (governments, businesses, families/citizens) have some obligation to create opportunities for disabled people to be able to access resources and to acquire the right 'knowhow'. Conversely, as disabled people acquire 'knowhow' and as they become part of the economic fabric of their communities, the benefits flow back to all of society.

What is clear from our research is that there are very few places where all four foundation stones are present in a manner that disabled people can readily access them. Elements of all four need to be in place for self-directed employment to become a successful reality. The best thing any society can do, then, is to create the necessary conditions where disabled people can step with confidence on each of the four foundation stones.

Two other conclusions also are clear from this research. First, a very large number of disabled people in all countries would be interested in trying the self-directed employment option. Second, there are a growing number of different and highly interesting models of approach supporting self-directed employment in all regions of the world that can be learned from, adapted and applied.

This leads to a proposition. There is need for systematic testing of the concepts that have been set out in this chapter, and to systematically put into place initiatives which further support development of self-directed employment opportunities. Most of the projects examined in this study grew up without any larger plan. Given the world-wide interest, and the promising experiences, the proposition is that a series of demonstration and research projects be undertaken.

Such projects should take place both in high-income and low-income countries. Indeed, there would be merit for low and high-income countries to be partnered. Both would benefit from such partnering. High-income country partners would benefit from the expertise that has been acquired in low-income countries. And, low-income countries would benefit from the technology and financial support of high-income countries.

PART V

Appendices

Abbreviations Appendix 1 List of Commonly Used Abbreviations

Americans with Disabilities Act ADD Action on Disability and Development Association of Mouth and Foot Painting Artists ASEAN Association of South East Asian Nations CACL Canadian Association for Community Living Caribbean Community CBM Christoffel Blindenmission Community-based Rehabilitation Community-based Vocational Rehabilitation for Disabled People Combined Disability Association Central London Training and Enterprise Council Canadian International Development Agency DPI Disabled Peoples' International DPO Organizations of Disabled People ESF European Social Fund Gross Domestic Product Latin American Group of Professional Rehabilitation (Grupo Latinoamericano de Rehabilitación Profesional) Gross National Product

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HALS	Health and Activity Limitation Survey (Canada)
IDRC	International Development Research Centre
ILC	Independent Living Centres
ILO	International Labour Organization
IYDP	International Year of Disabled Persons
NGO	Non-governmental organization
OECD	Organization for Economic Co-operation and Development
OECS	Organization of the Eastern Caribbean States
SAARC	South Asian Association for Regional Co-operation

United Nations Development Programme

United Nations International Children's

United States Agency for International

Emergency Fund

Development

UNDP

UNICEF

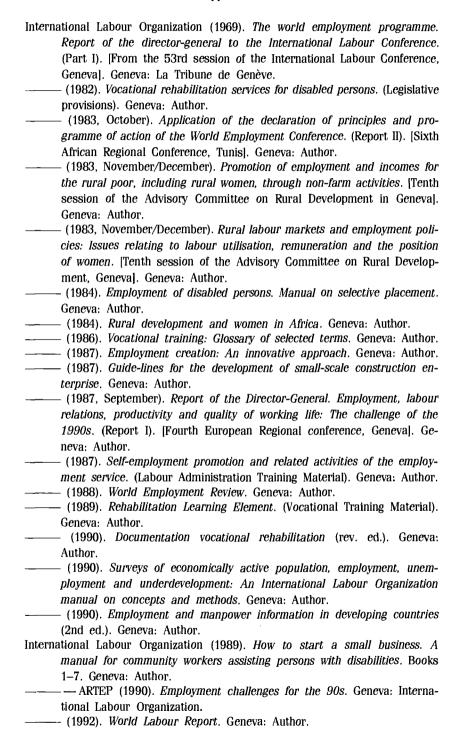
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Salma Magbool, Dr. (Mrs.), is a medical practitioner based in Islamabad. She has chaired the World Blind Union's committee on the Status of Blind Women, Disabled Peoples' International Pakistan (1991–1996), and served on many international committees. In 1992 she was awarded a United Nations Testimonial for Dedicated Services to the UN World Programme of Action Concerning Disabled Persons. She is married to Captain Magbool Ahmed. Darya Abad, Rawalpindi, PAKISTAN.

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wage employment 41, 85, 175, 218, 235, 296 wage subsidies 216 People with disabilities have long been faced with barriers in terms of employment and income generation. Be it the result of blatant discrimination, or a narrow focus by policymakers or professionals, historically we have been led to believe there are only two options for people with disabilities: reliance on familial assistance plus social safety nets, or wage employment. However, there is another possibility: self-directed employment — people with disabilities owning their own businesses. Disability and Self-directed Employment is the first comprehensive exploration of this alternative. It began as the United Nations Decade of Disabled Persons was coming to a close, with the question: "What international initiative could also serve as a lasting benefit to persons with disabilities in all parts of the world?" The answer is this thorough study of systematic approaches intended to aid in the creation of self-directed employment for disabled people.

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