

DEVELOPMENTAL ARTICLES

**EXCLUSION OF DISABLED PEOPLE FROM MICROCREDIT
IN AFRICA AND ASIA: A LITERATURE STUDY**

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ABSTRACT

People with disabilities are barred from microcredit schemes. A literature search on the participation of people with disabilities in microcredit schemes resulted in 16 documents. The statements, recommendations and generalisations in these documents are not supported with strong evidence and are 'expert opinions' at best. Inclusion of people with disabilities within institutional schemes and self-helping schemes is recommended throughout the world. However, these seem most affected by excluding mechanisms and inclusion numbers lag behind. The absence of people with disabilities from these two schemes makes them a less attractive option. To fulfil the current needs of people with disabilities; ad-hoc schemes should continue and even expand their work. The pragmatic solution is to work with the available resources in order to change the situation of people with disabilities.

INTRODUCTION

Microcredit has become a popular instrument to promote economic empowerment among poor entrepreneurs in developing countries.

Less than 10% of the adult populations in many African countries have bank accounts, and this acts as a brake on growth and opportunity (G8 summit (1), 2005). The UN and the World Bank are developing indicators on access to microfinance, and to support national governments to maximise the productive use of remittances. They perceive microfinance as a powerful tool in reaching the Millennium Development Goals. Microcredit is a part of microfinance. Apart from microcredit, microfinance includes savings, microinsurance and other financial services. The UN launched 2005 as international year of microcredit and in 2006 Mr. Muhammed Yunus, whose imaginative microcredit scheme among poor rural women became a model for the world, received the Nobel Peace Prize. Microcredit is

increasingly recommended to improve the economic situation of people with disabilities and is promoted as an intervention that contributes to social and economic empowerment. However, people with disabilities continue to be an excluded group when it comes to socio-economic interventions like microcredit (2, 3, 4, 5). People with disabilities are expected to benefit from microcredit to the same extent – and probably more - than others. Research studies looking into benefits and barriers and supporting factors on microcredit and disability are scarce. There appears to be a general concern that people with disabilities do not access microcredit to the same extent as non-disabled peers. Simanowitz (6) described four mechanisms leading to marginalisation and exclusion of the poorest of the poor from microcredit: self-exclusion, exclusion by others, exclusion by staff and exclusion by design. Poor people's lack of confidence constrains their capacity to believe the programmes can be beneficial to them, which leads to self-exclusion. Exclusion by other members is the second excluding mechanism. Exclusion particularly in group lending (Micro Finance Institutions (MFI's), self-help groups, solidarity groups, village banking) serves as a barrier where there is an incentive for stronger people in the community to exclude the poorer ones. A core element is that all members are jointly liable for each individual's loan, which creates an increased likelihood that the poorest of the poor and more vulnerable tend to be excluded from such groups. The third exclusion mechanism is exclusion by staff. Loan and credit officers may have explicit or implicit incentives to exclude the poorest, as a result of the perception that the poorest are problematic and will create increased work burden. Sustainability is prioritised over reaching the poor, leading to exclusion of the poorest due to perceived higher risks. Exclusion by design is the last excluding mechanism. To access microcredit programmes they often demand entry fees and prior business experiences. The poorest of the poor are not able to save and have no prior business experience, so they tend to be excluded from microcredit.

It is estimated that 82 per cent of the people with disabilities live below the poverty line (7). People with disabilities are amongst the poorest of the poor (8, 9, 10, 11, 5), especially in developing countries. People in developing countries are poor largely due to external factors outside of their control. Conflict, low economy growth, unfair trading agreements, a narrow industrial base, high inflation, low levels of tax collection, poor standards of health care and education, inadequate infrastructure and corruption, all combine to drive a vicious circle of

poverty (8). People with disabilities face as many difficulties in breaking out of poverty as others, but have the added disadvantages of low access to education, training, employment and credit schemes (10).

In the microcredit world there are several schemes. Mersland makes a distinction between self-helping schemes, institutional schemes and ad-hoc schemes (2). People set up self-helping schemes themselves without the support from an organisation. A group of 15-30 people pool savings weekly or monthly. These savings are distributed as loans amongst the members. Group lending minimises administrative and transaction costs for lenders by replacing credit checks and collateral processing with self-selection of groups by borrowers. Borrowers, who are jointly liable for the loans of their group, have a vested interest in choosing trustworthy partners. Joint liability also discourages default because group members exercise peer pressure to repay. The MFIs are the institutional schemes, which have higher interest rates and high repayment expectations. Most microcredit initiatives for people with disabilities are ad-hoc schemes, which are special programmes for people with disabilities. High repayment rates are often not a major issue and interest rates are often subsidised. The focal point is more on empowerment of people with disabilities than sustainability of the organisation. Microcredit is only one of many components like training, health services, all aiming on empowerment of people with disabilities. The specific characteristics of each scheme relate to different social excluding mechanisms and different outcomes reached. To promote inclusion of people with disabilities in microcredit schemes it is important to gain insight into the existing barriers that hinder inclusion.

This paper looks at how exclusion mechanisms affect the participation of people with disabilities in, and outcomes of, institutional, ad-hoc and self-helping microcredit schemes, and presents a review of literature on this topic.

LITERATURE SEARCH

Electronic databases Pubmed (<http://www.ncbi.nlm.nih.gov/sites/entrez>), Web of Science (<http://portal.isiknowledge.com>), Source (<http://www.asksource.info/index.htm>) and the microfinance gateway (<http://www.microfinancegateway.com>) were searched. Other sources were reference lists, and correspondence with leading authors. Authors and people working

in the disability field were contacted to access articles, policy documents and reports. Also, examples of lending schemes for people with disabilities were collected and used to illustrate the excluding mechanisms and outcomes from real-life experiences. The World Wide Web was searched using the terms “disability” in combination with “microcredit” and “microfinance”. The focus of this research is on microcredit alone, not in combination with other microfinance services. Articles on microinsurance were excluded.

Searching Pubmed and Web of Science using the terms “disability” in combination with “microcredit” and “microfinance” resulted in “0” hits. The term “microcredit” alone resulted in 23 hits, but none of the articles were related to disability. The search on the microfinance gateway using the term “disability” resulted in 46 articles. After excluding the articles on microinsurance and articles written before 1997 and including articles related to disability, 4 articles could be included. Searching the different reference lists of the already included documents resulted in an additional 2 articles. Through handsearching the World Wide Web, grey literature and correspondence, the final search of bibliographic databases and other sources resulted in 16 articles on microcredit schemes and people with disabilities.

Two articles are published in indexed journals (Social Science Citation Index, 2003), the other articles are case reports and theory papers. All articles can be classified as level 5; “expert opinion” (Oxford Centre for Evidence-based Medicine Levels of Evidence, 2001).

Table 1. Overview of articles

	Article		
1. Microcredit schemes for people with disabilities in general	Handicap International, 2006, (7)	Review paper	Good practices for economic integration of people with disabilities
	Handicap International, 2005, (12)	Review paper	Good practices for economic inclusion of people with disabilities in developing countries
	Hulme, D. 2000, (13)	Theory paper	Microcredit in general
	ILO D.P. 2002, (10)	Theory paper	Disability and poverty reduction strategies in general

	Jenks S. 2003, (14)	Case report	Comparative analysis on the effectiveness of socio-economic rehabilitation; Bangladesh
	Lewis C. 2004, (3)	Theory paper published in an indexed journal	Microfinance in general from the point of view of women with disabilities; Zambia and Zimbabwe
	Mersland R. 2005, (2)	Review paper	Review paper on ad-hoc, self-helping and institutional microcredit schemes in general for self-employed disabled persons in developing countries
	Mukiibi, S. N., Mulya, D. 1997, (15)	Case report	Involvement of disabled entrepreneurs in the improve your business programme; Uganda
	Thomas, M. and Thomas, M.J. 1999, (5)	Theory paper	Microcredit schemes for rehabilitation of disabled persons; Bangladesh
	Yeo, R. and Moore, K. 2003, (16)	Theory paper published in an indexed journal	Theory paper on inclusion of disabled people in poverty reduction work in general
2. Institutional schemes	Dyer S. 2003, (9)	Case report	Inclusion of disabled people in institutional schemes and an evaluation of ad-hoc schemes; evaluating Leonard Cheshire International programmes (a disability organization with 250 partner projects in 57 countries)
3. Ad-hoc schemes	Thomas M. 2000, (4)	Case report	Integration of people with disabilities in ad-hoc schemes; Bangladesh
4. Self-help schemes	Haque S 2006, (17)	Theory paper	Strategies to include people with disabilities in credit and savings

	Thomas M. and Thomas M.J. 2002, (18)	Theory paper	programmes in general, based on the outcomes of self-helping scheme programme; Bangladesh Self-help schemes as a tool for economic empowerment of people with disabilities
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Handicap International (12) conducted a research on the inclusion of people with disabilities in developing countries. In the survey, the results of 69 completed questionnaires were presented. 50 completed questionnaires came from NGOs running ad-hoc schemes and 19 from MFI's running institutional schemes. In an other report Handicap International (7) described good practices for the inclusion of people with disabilities in developing countries. Two main approaches are used; inclusion in institutional schemes and ad-hoc schemes. Mersland (2) and Lewis (3) made a distinction in their research between institutional, ad-hoc and self-helping schemes. In the report of Haque (17) on strategies to include people with disabilities in credit and savings programmes and the report of Thomas and Thomas (5) on microcredit schemes for rehabilitation of disabled persons, there is no distinction made in schemes. Dyer (9) investigates the outcomes of ad-hoc and institutional schemes. Thomas (4) describes the results of ad-hoc schemes while Thomas and Thomas (18) and Haque (17) report on self-helping schemes. The other reports and papers discuss economic empowerment for people with disabilities in general.

The specific characteristics of each scheme are associated with different social excluding mechanisms and different outcomes, as discussed in the following sections.

INSTITUTIONAL SCHEMES

These schemes are part of mainstream microfinance offered by MFIs.

Self-exclusion

People with disabilities hesitate to apply for credit because they are not accustomed to it (7) and they often are not sure of a positive outcome if they were to apply (3). There seems to be a lack of self-confidence and knowledge regarding how services can be beneficial for them. During their lives, people with disabilities experience many forms of rejection and exclusion, which may affect their behaviour towards microcredit leading to self-exclusion. Accumulation

of exclusion produces even secondary incapacities e.g. lower self-esteem, which may lead to self-exclusion from microcredit by disabled people (10). Another self-exclusion mechanism is that sometimes, they expect charity grants instead of loans (12, 3, 4).

Exclusion by others

Exclusion by others is described by Dyer (9). Lack of knowledge on microcredit, poor business skills/experience/financial competence and low education level are linked by others to commitment problems, leading to exclusion. Attitudinal hindrances are identified as the main obstacles perceived by people with disabilities that exclude them from the mainstream lending schemes.

Exclusion by staff

The commercialisation of MFIs resulted in a mission drift away from giving poor people access, and toward credit sustainability of the organisation, which led to exclusion of people with disabilities. Alam and Haque, (19) state that banks or existing NGOs in Bangladesh (Grameen bank, BRAC or ASA) are not providing loans to people with disabilities. These institutions assume that people with disabilities would not be able to repay their loans due to their vulnerability. To develop inclusion of people with disabilities in mainstream MFIs is perceived to be time consuming, because of the specific needs of people with disabilities. Perceived extra time and additional financial costs affects the sustainability of the MFI in a negative way. Often, there is a lack of confidence in this particular target group among the staff, leading to exclusion by staff (9). Many mainstream development NGOs and MFIs continue to claim that they are not specialists in the disability field. Therefore, they do not consider disability issues (16). Mersland discovered in his research that most MFIs did not see a reason for tracking disability specifically. They explain that it would distort the work of the credit officer, whose job is to evaluate viable business and repayment capacity. It is not their job to evaluate physical ability and/or disability. The MFIs admitted that their personnel and the society in general probably have a tendency to miscalculate or underestimate the abilities of people with disabilities. A number of MFI show willingness and interest to include people with disabilities, but were not prepared to make their programmes more accessible and disability sensitive. Without these changes, hindrances to enable disabled people remain (9).

Exclusion by design

The credit methodologies hinder people with disabilities from access to microcredit. To evaluate a possible client, credit officers look at personal skills and character in addition to assessing the business. However, many credit officers dealing with people with disabilities find it difficult to see through the disability and recognise the real abilities. People with disabilities continue to remain excluded from these schemes because they are a minority even amongst the poorer groups of people and because the benefits of most programmes, including savings and credit schemes, tend to get cornered by a powerful section of the group, of which disabled people are not a part. All MFIs using a group methodology admitted that this methodology might lead to the exclusion of disabled persons (2). Many of the disabled people are unable to meet the selection criteria of the providers. Lack of sufficient start-up capital, credit history and being unable to produce the collateral required, are other exclusion by design mechanisms (3, 4). Weekly payments are often identified as a higher obstacle for a disabled person than for a non-disabled person (2). There is a lack of flexibility in these credit operations to facilitate inclusion of disabled persons (4). Weekly repayment and attending meetings cause exclusion by design for people with disabilities in becoming successful entrepreneurs. Disability often comes with mobility problems. Running ones own business is difficult enough as it is for people with disabilities, without the added burden of weekly repayments and attending meetings. The design of the credit programme causes repayment problems and people with disabilities have more difficulties with keeping accounts as compared to their counterparts (12).

Inaccessible buildings, transportation problems and limited cooperation with the government are obstacles for people with disabilities in obtaining microcredit. These disability related excluding mechanisms serve as hindrances not only for access to microcredit, but are also reasons why people with disabilities often have limited access to education, training and participation in enterprise compared to the non disabled.

Outcomes for people with disabilities

The studies report individual social and economic outcomes and changes within the community resulting from access to microcredit. Most respondents are confident that the programme had a significant social and economic impact. Empowerment and greater

independence led to improved social conditions. They mention increased self-reliance, self-confidence and self-esteem. Some respondents refer to their changing status in the family. They are not neglected anymore, participate in family decision-making, or even take a leading role in their family. This change of negative attitude in the community improved their social status and social integration (12, 9). People with disabilities also express that microcredit led to the establishment of sustainable economic activities, acquirement of business skills and strengthening of capacities. Access to microcredit led to improved living conditions, increased regular income and reduced vulnerability (12). Through economic empowerment borrowers spoke of being able to access better health services, improved household income, ability to buy food and nutrition and children now being able to go to school. Others mention the ability to pay for medication and school uniforms needed by their children. These are clear indicators of positive steps towards breaking the poverty and disability cycle (9).

Institutional outcomes

MFIs are experts in micro finance and run sustainable and self-sufficient institutions, with repayment rates of 90% or higher (12, 9). This makes strong and fast development possible. Their success led to increasing interest of donors and partners in the inclusive programmes. The impact in terms of disabled people and family members reached, is still relatively low (9). Many MFIs report they have people with disabilities among their clients. However, the exact number is often not known, because it is not recorded. The number of people with disabilities at the few MFIs that keep a record is between 0.5 % - 2% of all clients. The few MFIs that included some disabled people valued the inclusion of people with disabilities in their mainstream programmes (12).

Internationally, there has been a shift of emphasis on mainstream inclusion in employment and credit schemes. Unfortunately, often these policies do not take into account the existing institutional discrimination inherent in the markets (16).

AD-HOC SCHEMES

Most ad-hoc schemes are special services for disabled people provided by DPOs and NGOs.

Self-exclusion

Often, people with disabilities are also familiar with the staff of ad-hoc schemes, feel more understood and less discriminated and stigmatised. This contributes to diminish the self-exclusion mechanism (3).

Exclusion by others

Misinformation and prejudices put people with disabilities in a competitive disadvantage in the market (4). Stigmatisation and discrimination are mentioned as excluding mechanisms as people did not want to buy from a woman with a disability (3). Their families are often not very supportive (4).

Exclusion by staff

Special training of the staff of community development programmes to identify disabled persons and deal with their disability, supports positive outcomes. The exclusion by staff is not an issue with ad-hoc schemes since they are familiar with this group (4).

Exclusion by design

Because people with disabilities often experience difficulties with the exclusion by design mechanism, ad-hoc schemes often provide a flexible repayment scheme and in some instances providing interest free loans. The design of the programme demands no savings or prior experiences with loans to access microcredit (12, 3).

Disability related exclusion

Inaccessible infrastructure, lack of appropriate adaptive equipment and resources, problems with transport and mobility are mentioned by people with disabilities as obstacles to successfully run their business. These mobility problems are associated with a disadvantage in marketing of their products and competing with non-disabled people (12, 3, 4). Besides these physical barriers, other constraints are low education level, low income and lack of access to information.

Outcomes for people with disabilities

The programme had a significant social and economic impact according to one study (12). Indicators for improved social well-being at individual level are increased self-reliance,

self-confidence and self-esteem. Access to microcredit and entrepreneurship resulted in a more favourable assessment of immediate environment. The social position and acceptance of people with disabilities in the community improved. Their success changed the negative attitudes of the community. The family and community respected them more than before. The community members treated them better and some community members felt that it was their responsibility to look after the disabled people. People with disabilities were more assertive after enrolment in the savings and lending scheme, which had a positive impact on their attendance in community functions (12, 3, 14). They voted in the elections unlike earlier and some became decision making members of the community group (3). They are not neglected anymore, participate in family decision-making, or even take a leading role in their family, which shows improved social integration (12).

Besides great social improvement, access to microcredit shows great effects in their economic situation. The business solutions are often imperfect. People with disabilities have additional costs and burdens due to their disability, and yet they manage (3, 9). While they experience many difficulties, most of the borrowers are making payments on their loans, sustaining and even expanding their businesses. The establishment of sustainable economic activities created increased regular income and improved living conditions of themselves and their family. The disabled entrepreneurs showed they have acquired business skills and had strengthened their capacities. Overall, microcredit reduced vulnerability and poverty and led to empowerment and greater independence for people with disabilities (12, 3)

Institutional outcomes

Research on the institutional outcomes of ad-hoc schemes showed mixed results on numbers reached, sustainability and repayments.

Handicap International (12) reported large numbers of people with disabilities reached and 65% of the 43 programmes assessed that revolving funds will be sustainable. It is estimated that 63% of the 43 programmes have high repayment rates of which 15 reported repayment rates of 95-100% and 12 reported 80-90%. Dyer (9) reported opposite results; low numbers reached, unsuccessful in running a sustainable organisation and low repayment rates. The programmes researched by Handicap International (12) showed their success in mobilising people with disabilities and increased confidence of the staff in the programme, while Dyer

(9) concluded that the costs of implementing the programme were too high in relation to the outcomes achieved.

SELF-HELP SCHEMES

Self-help schemes are the oldest of all schemes formed by a group of people themselves without the involvement of an organisation. Since these schemes largely exist and reach many people, these schemes fall into the mainstream schemes, together with institutional schemes.

Self-exclusion

Conditions of people with disabilities are characterised by great insecurity, which often leads to risk-avoiding behaviour and lack of self-confidence. They frequently expect grants rather than self-generating income development and seem to be less motivated than others (9, 4, 18).

Exclusion by others

Often, there is a fear that a powerful few in the group will hijack the benefits from others. Exclusion by others hinders people with disabilities because they are just a minority in self-help groups. Frequently their needs are viewed as a low priority by the rest and they may tend to get marginalised in a group (4, 17).

Exclusion by staff

Self-help groups are formed by members themselves, exclusion by staff is thus not applicable.

Exclusion by design

The exclusion by design is the main hindrance for people with disabilities to enter self-help groups (17, 6, 2). The self-selection process of members in self-help groups tends to exclude people with disabilities due to lack of awareness about the abilities of disabled people and a negative attitude and prejudice about disabled people (2). The design of the programme demands savings and attending meetings for access to credit. The attendance of people with disabilities in the group activity is lower than the others and many of the people with disabilities are very poor and therefore unable to save (18).

Disability related exclusion

Group formation problems in rural areas include distances between clients. Difficult terrain makes group formation less practical, especially for people with disabilities (2).

Outcomes for people with disabilities

Visibility of activities of people with disabilities in the community has a positive effect on joining in community activities (4). Other benefits are improved respect for people with disabilities from the community and their family, improved social status, self-esteem and acceptance of people with disabilities (19, 4). Group members are able to send their disabled children to school. Disabled children are considered less of a burden and they now also share meals with their family members instead of waiting for others to finish their meals and eat the leftovers (19). People with disabilities can be economically empowered with access of credit (5, 19, 17).

Outcomes for the self-help groups

Costs of self-helping schemes are low with relatively high impact (4). Self-helping schemes without a facilitator who makes sure people with disabilities are part of the group; hardly reach any disabled people, due to the self-selection process (6). The exclusion of people with disabilities in self-helping schemes due to the self-selection process is not a barrier in the SARPV savings and credit programme (19). They are a DPO that provides a credit and savings programme in Bangladesh. Percentage of repayments received within one year after giving the loan is 98%. The credit for disabled beneficiaries has covered 80% of the target area. Looking at the credit programme alone, the total number of disabled borrowers is 352 (64%), and the non-disabled 200 (36%). After verifying the pass records it is found that people with disabilities are more conscious about repaying their installments than the non-disabled people (19). Though the outcomes of this particular programme are positive and the supporting factors are there, they are still an exception to the rule.

DISCUSSION

Scientific research on microcredit for people with disabilities is scarce. A majority of the literature includes biases and assumptions, assertions and generalisations for which no evidence is offered. The available reports and papers are case and theory reports without

any weighting scores of the supporting factors, excluding mechanisms and outcomes. The level of evidence is an expert opinion at best. The available literature gave no insight into the relations between different types of disabilities, context and their effect on outcomes and success.

Internationally, microcredit has been recommended as an intervention to improve the living conditions of poor people. The very poor and marginalised groups of people, which include people with disabilities, tend to be excluded from access to microcredit. This paper compared institutional schemes, ad-hoc schemes and self-help schemes in relation to social exclusion. Table 2 shows the results.

Table 2. Comparison of the excluding mechanisms in the three types of credit schemes

	Institutional scheme	Ad-hoc scheme	Self-help scheme
Self-exclusion	+	—	+
Exclusion by others	+	+	+
Exclusion by staff	+	—	N/A
Exclusion by design	+	—	+
Disability related exclusion	+	+	+

- excluding mechanism is not present
- + excluding mechanism is present
- N/A excluding mechanism is not applicable

The excluding mechanisms described by Simanowitz (6) have proven to be useful to identify the main obstacles for people with disabilities to access microcredit. There are many similarities in the recommended supporting factors to reduce the self-exclusion, exclusion by others, exclusion by staff and exclusion by design mechanism. Supporting factors such as training of the staff on abilities of people with disabilities and training of the disabled entrepreneurs in running their business and increasing their knowledge on microfinance, are mentioned the most. The only place where these supporting factors have actually been

implemented in general is within the ad-hoc schemes. All MFIs using a group methodology admitted that this design had a negative impact on inclusion of disabled entrepreneurs (2). Specific changes in the design that could lower the exclusion by design are that they should not require start-up capital or collateral and they should use a flexible repayment system. Exclusion by design is not only experienced with the institutional schemes, but also within self-helping schemes. A core element of many group schemes is that all members are jointly liable for each individual's loan, which has a negative effect on inclusion of people with disabilities in such groups. The self-selection of members tends to exclude people with disabilities, especially among the self-helping schemes. Only in one example, a large number of people with disabilities were included because a facilitator was available who ensured inclusion of people with disabilities, democratic group formation, cohesion, equal involvement and building of trust and confidence. To address the exclusion by design ad-hoc schemes use a different design. Their staff is well trained on the special needs and abilities of people with disabilities, which addresses the problem of exclusion by group mechanism. The special focus of organisations running ad-hoc schemes is dealing with the disabled community. Most of them provide training of people with disabilities together with access to microcredit.

In the literature, additional exclusion mechanisms are found for people with disabilities (7, 12, 2, 3, 9, 10, 11, 5, 15). They often have to deal with discrimination and stigmatisation, which fits within the 'exclusion by others' mechanism. In all three schemes disability related excluding mechanisms are mentioned to hinder people with disabilities from access to microcredit. Inaccessible meeting places, mobility problems, lack of useful equipment and modes of transportation are mentioned the most. Inaccessible market places are linked to a competitive disadvantage and sometimes create extra financial costs. Accessibility problems also lead to limited access to education and training.

Looking at the similarities and varieties of the three schemes, the main factor that stands out is that the outcomes for people with disabilities of institutional schemes do not differ much from the ad-hoc schemes and the self-help schemes. This suggests that microcredit brings great social and economic empowerment for people with disabilities regardless of the scheme used. Indicators for improved social well-being at individual level are increased self-reliance, self-confidence and self-esteem. Their success changed the negative attitudes of the

community and family. Access to microcredit shows vast improvements in their economic situation as well. The disabled entrepreneurs show they are able to run viable and sustainable businesses and are able to make the required repayments. The establishment of sustainable economic activities created increased regular income and improved living conditions of themselves and their families. Overall, microcredit reduces vulnerability and poverty and led to empowerment and greater independence for people with disabilities.

There is a variety in institutional outcomes. The institutional schemes in the sample reviewed score high on repayment rates, sustainability, and fast development for their clients. However, the number of disabled people in institutional schemes is very low. The institutional outcomes of ad-hoc schemes and self-helping schemes show mixed results. The DPOs that started with microcredit were not able to make their organisation sustainable. They reached a small number of people with disabilities and scored low on repayment rates. Now-a-days, more ad-hoc schemes show a positive turn in their institutional outcomes. They score high on repayment rates and reach an efficient number of disabled people. These outcomes make it possible for them to turn into viable organisations ensuring long-term sustainability. Self-help schemes are the oldest of all schemes. Costs are low and a large number of people are reached. However, the self-selection process tends to exclude people with disabilities. They are only reached if a facilitator is available to ensure inclusion of people with disabilities in the group. Only then, self-help schemes score high on the number of people with disabilities reached. Since costs are low and repayment rates high, self-helping schemes are sustainable.

CONCLUSION

Most of the researchers recommend inclusion of people with disabilities in mainstream institutional credit schemes. Some also recommend self-help schemes (2, 18, 3, 9). However, the self-exclusion, exclusion by others, exclusion by staff and exclusion by design are all present, within both the institutional scheme and self-help scheme. Independent implementation of ad-hoc schemes seems as a second best solution, which should only be chosen if inclusion within mainstream microcredit is not possible. Since MFIs and self-help groups still refuse to include people with disabilities on a large scale and to fulfil the current needs of people with disabilities; ad-hoc schemes should continue and even expand their work. Research suggests, that more and more of these organisations

do reach a sufficient amount of beneficiaries and score high on repayment rates, making their organisations viable and sustainable. The outcomes of all research, regardless of the scheme used, show that microcredit has great economic and social impact for people with disabilities. Therefore, DPOs, NGOs, donor/funding organisations, and governments aiming to improve the situation of people with disabilities should ask themselves what they are willing to pay for these important gains, so that the situation of the poorest of the poor and the marginalised disabled people can change.

The main conclusion is that not much is reliably known about how microcredit works in developing countries and even less is reliably known, of the details about barriers to disabled people getting any assistance from such economic sources. There is no research available where statements are supported by strong evidence. The excluding mechanisms and outcomes mentioned in the available literature are not weighted. More research is necessary, to discover the evidence and weight of these factors.

After identifying the strengths and weaknesses of each scheme, NGOs and DPOs running ad-hoc schemes appears to be the best option for people with disabilities at this stage, since they create social inclusion, participation and empowerment. In the literature, ad-hoc schemes are seen as a second best solution but in order to fulfil the current needs of people with disabilities; ad-hoc schemes should continue and even expand their work. The pragmatic solution is to work with the available resources, in order to change the situation of people with disabilities today, meanwhile the inclusion in mainstream financing should continue to be promoted supported by the successes people with disabilities have made within the ad-hoc schemes. This twin-track approach is required to meet the rights and needs of people with disabilities, as we wait for the mainstreaming approach to evolve into real inclusion of disabled people.

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**TRAINING MANUAL ON THE HUMAN RIGHTS OF
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