

УДК 364.622(477)

*Golichenko Olga*

## SOCIAL ENTERPRISE AS THE FORM OF DEINSTITUTIONALISATION OF MENTAL HEALTH SERVICES IN UKRAINE

*The paper explores the connections of the processes of social enterprise (SE) development and deinstitutionalization of mental health services in Ukraine. The author argues that mental health social enterprises in Ukraine are developing under the influence of hybridized American-European SE cultures. The development precedes the process of deinstitutionalisation of mental health in Ukraine which leads to the unsustainability and fragility of social enterprise development in Ukraine. At the moment, SE development in Ukraine is a mechanism of temporal sustainability of existing programs for mental health users and support of local communities.*

### **Introduction**

Social enterprise (SE) is one of the examples of attractive NGO development ideas that are rarely questioned by NGO workers because of the "originality", and is rarely conceptualized by academics because of its intellectual "thinness". Moreover, most of the current literature on SE does not look at the definitions and assumptions of key concepts and explanatory frameworks of SE and takes them for granted [18]. Looking at SE not from a professional, but from a theoretical perspective, it is important to realise that SE is a complex and vague concept, which needs to be theorised in the context of the process of deinstitutionalisation of mental health patients, as sustainable social enterprise can exist only in the environment of developed communities and independent users of mental health services. The process of deinstitutionalisation brings the latter.

The paper focuses specifically on SE development among people with mental health disabilities in Ukraine, more specifically people with schizo-

phrenia. This group of people will be often referred to as "users or patients of mental health services". In this paper the main versions of the origin of SEs will be presented, it will be looked how the concept became globalized, how it has been interpreted and is currently implemented in Ukraine. The author's argument is based on the disagreement with Ota De Leonardis and Diana Mauri article "From Deinstitutionalisation to the Social Enterprise" (1993), in which the authors state that SE is the aftermath of the process of deinstitutionalisation. The author's disagreement is based on the fact that in Ukraine SE development precedes deinstitutionalisation and this is the opposite phenomenon of what is described in the criticised paper. Taking into consideration the multidimensional nature of the concept, the author's main argument is that mental health SEs in Ukraine are developing under the influence of hybridised American-European SE cultures. This precedes the process of deinstitutionalisation of mental health in Ukraine and leads to the unsustainability and fragility of SE

development in Ukraine. At the moment, SE development in Ukraine is not a part of the process of deinstitutionalisation of mental health services, but is a mechanism of temporal sustainability of existing programs for mental health users and support of local communities.

The methodology of the research is based on the analysis of a broad literature on the topic of social enterprise development and deinstitutionalisation in Ukraine, the United States and Western Europe as well as the author's professional experience as an NGO worker in the field of community mental health services and social enterprise development in Ukraine. Research projects and final reports of the NGO where the author works contributed to the development of the evidence for the main presented argument.

### **Origins of Social Enterprises**

In order to grasp the complexity of the meaning of SE, it is important to look at the origins of this concept. The theoretical analysis of social enterprise development is very limited [18] and not-systematised. Thus, there are several versions of the development of the SE concept in the existing literature. In order to systematise the development of SE concept in mental health in Ukraine it is important to distinguish between several versions of the origin and content of SE.

US experience mostly emphasizes the role of venture capital and philanthropy in developing SE in deprived areas [18]. One account about the earliest development of SE states that: "The term SE was created by the American non-profit community in the 1970's, which began to create and operate their own businesses as ways to create job opportunities for the disadvantaged, homeless and other at-risk people. The idea is that a non-profit business venture or revenue-generating activity can create positive social impact" [1].

In comparison, European authors such as Leonardis De Ota and Diana Mauri in Italy, define SE in Italy on a more individualistic level, which is the result of the elements of "critical theory" such as the definitions of madness and power structures, which had a major influence on the process of deinstitutionalisation in Europe: "The social enterprise is a business that protects, produces and enhances people's basic capabilities. This approach is focused on a productive social justice, producing and not only redistributing wealth. It considers not only what is given to each, but also what is given by each, according to her or his capabilities" [17].

Thus, the emphasis of SE development in the

US is put on the community (community-centred SEs), whereas in Europe the SE concept has a more individual dimension (individual-centred SEs).

The fundamental principle of SE, which exists in both SE types, is that "public goods and services can be provided through entrepreneurial activities which achieve a "double-bottom line" return, both social and economic" [18].

In this paper there are no proposals of a definition of SE, because one single definition and approach do not exist as well as comprehensive analytical tools for explaining SE has not been yet developed. "Social enterprises are hybrids: only a multi-dimensional model enables an exploration of the challenges and tensions that influence their development" [18].

A crucial question is which one of the two types is being globalized and is exported to the developing countries, where the concept is becoming more and more popular and is regarded as a remedy for local community problems. The answer is that there is no single definition of SE which is introduced in developing countries. Depending on the aims and funding priorities of a donor, different SE concepts are presented. The weakening of the state filtering mechanisms in a globalized world and lack appropriate research lead to further blurring of the undefined concept as it becomes multiplied.

### **Globalization of SE Concept**

A new wave of development of the SE concept on a global scale started at the end of the 1990s and was stimulated by a Labour government election in the UK. The idea of SE as a "means of regenerating local economies" was prioritised as it was a sustainable way of solving existing social problems [18]. The development of local communities was considered to be the most sustainable and long-term method of the development of local economies as it led to the decentralisation of local budget and more focused budget spending. The idea became very popular as it was able to solve two main existing problems: the lack of the alternative "third way" solutions for the social problems and the out-sourcing of local government services [18]. The government has invested large budgets in the practical and theoretical development of the concept, that resulted in a number of academic and think-tank studies which were dedicated to social enterprise and other related topics such as the social economy, economic regeneration, social, financial exclusion, and localism of social services. Investing in support structure for SEs played an important role in the successful development and implementation of SE concept in Western Europe [18].

The development of local communities became more attractive for donors as it provided more sustainability than investment in the development of the individual abilities of mental health patients in the community, which is a European SE concept. More American than European foundations are providing grant support for developing SE projects. Thus, the American SE model became dominating in developing countries and other countries, such as Israel [5].

### **Social Enterprises Development in Ukraine**

The process of deinstitutionalisation in Ukraine is still at the initial stage of policy formation and implementation. By deinstitutionalisation we mean "a shift in the care of mentally ill persons from long-term psychiatric hospitalization to more independent living environments" [11]. Obviously, deinstitutionalisation is a positive democratic movement, which makes it possible to decrease costs of hospitalisation of mental health patients as well as empowers them for independent life in the community. These lead to the improvement of health state of the user. At the same time, drawbacks and problematic aspects of the process of deinstitutionalisation should be acknowledged.

Expansion of outpatient services and day care is just starting in Ukraine [8]. Most psychosocial rehabilitation centres are situated on the territory of the hospital, rather than in the community, which does not empower users to establish "community based social role" and does not give opportunities for successful "skill-building" [7]. Having excellent rehabilitation programs, such rehabilitation centres have little socialisation and integration effect on people with mental health disabilities. For example, Kyiv biggest hospital for people with mental health disabilities - Pawlow hospital - has Rehabilitation Centre and an NGO "Reflected Worlds" on its territory, which were started as elements of the deinstitutionalisation, but never managed to move outside of the hospital to the community because of the lack of finances and conservative beliefs of the staff. Thus, it is possible to state that there have been certain attempts to develop and implement the policy of deinstitutionalisation in Ukraine. Moreover, "a civil movement for the protection of people with mental disabilities (this term has a slightly different meaning from "mental health disabilities") is beginning to develop and the government is ready to reform social care" [8]. However on the ground, the state provides little support for the development of the civil movement or sustaining existing mental health community initiatives.

A number of community based treatment alternatives [7] for people with mental health disabilities (for example, "Friends Union" Community Centre of NGO "Social Development Support Agency") was created exclusively on the basis of the community. Although such centres have substantial rehabilitation and reintegration programs [7], they cannot be regarded as "community psychiatric services" [8] because of the lack of permanent sufficient funding and more significantly because of the social rather than psychiatric-oriented goals of such organisations. A gap of co-operation, communication and experience sharing exists between hospital and community-based organisations. As a result of this, a number of users are able neither to stay in the hospital centres nor capable to adapt to the conditions of community centres and thus are left outside of both structures in need of further social support.

It is therefore not yet possible to observe the process of deinstitutionalisation in Ukraine in any similar pattern to the scenarios of deinstitutionalisation in a number of countries such as Italy [2], Canada [19], Denmark, Germany, Austria, Switzerland, Luxemburg [6] and United States. The main argument for this strong statement is that there is a lack of actual co-operation between hospital and community and thus there are two "pieces" of deinstitutionalisation happening on the level of community and hospital, which hardly overlap. Moreover, the government [11] contributes very little to eliminating the existing gap and creating overarching policies.

Users of mental health services are excluded from the initial process of deinstitutionalisation in Ukraine. They are not empowered for any voice in the process of decision-making about policy formation and implementation. Certain users-self-governed bodies such as "users' councils" exist in community-based centres, but, having little control over budgets and lack of sufficient skills and knowledge, they can hardly be influential. No ethnographic research, such as the research of Newton et al. [13], Nottestad and Linaker [14] has been conducted in Ukraine in order to evaluate the needs and level of users' satisfaction regarding services in hospital and community based rehabilitation centres.

Community and hospital-based centres make little or no effort to prepare relatives of users for the bigger burden, which will arise as the result of deinstitutionalisation. No appropriate research that of Janis Jenkins research on expressed emotion and the course of schizophrenia among families [9] has been undertaken in Ukraine in order to measure the

possible impacts of the approaching deinstitutionalisation. Relatives of users are not appropriately involved in the process of formation of the deinstitutionalisation policy. So-called "relatives' councils" exist in community centres, but relatives have little enthusiasm to participate in the activities of the council because of the lack of time resources. Moreover, many relatives of users come from disadvantaged backgrounds and, having lots of social and psychological problems themselves, can contribute little to the development of the community.

As a result, the dependence and burden on mental hospitals is not decreasing, increase in the number of mental health beds in general hospitals is not happening and a significant growth of community-based outpatients services is not occurring, thus none of the antecedents [15] of deinstitutionalisation [19] is present in Ukraine. Moreover, most of community and rehabilitation centres are available for users only for periods of remission.

The main obstacle for decentralisation of mental health services in Ukraine is the lack of new alternative sources of financing [10]. This problem is the entering point for SE concept to be introduced by different agents within different concepts of SE philosophy in Ukraine. SE concept was introduced in Ukraine by Counterpart International in the late nineties when it started the Counterpart Alliance for Partnership (CAP) Social Enterprise Programme [20]. This initiative was later supported and developed by other international organisations, notably UCAN and Eurasia Foundation. Hamlet Trust foundation, British foundation, was until recently providing assistance for SE development specifically for mental health organisations. Thus, both American and European models of SE development are present in Ukraine.

Outside the activities of international donors, SE term is rarely used, although Ukraine has a century old tradition of workmen's co-operative associations for the disabled. Current Ukrainian legislation, while providing some support for social entrepreneurship, does not refer to "social enterprise". Similarly, the mass media very rarely use the term, although many NGOs in Ukraine of course carry out activities aimed at improving their sustainability, and many organisations of vulnerable groups of people create jobs for the members of these groups. This year the "Mirror of the Week" newspaper has published several rounds of competition funded by external donors for developing grassroots SEs. In this situation, a number of different and sometimes incompatible understandings of social enterprise are emerging [20].

Hospitals and community centres, NGOs and

other agencies are eagerly accepting the aid and are developing SE concept according to the ideologies introduced by the sponsors. The appropriateness of Western SE concepts to Ukrainian realities is hardly ever questioned in Ukraine. Two big researches of Counterpart International (2002) and Eurasia Foundation (2004) have been undertaken in Ukraine in order to explore the local field for the development of SE and to analyse the current existing Ukrainian SEs. It is important to note that the former research did not touch on the conceptualisation of SE in Ukrainian reality, but was rather analysing existing SEs as case-studies, whereas only the latter one has extensively analysed what is the specialty of SE development in Ukraine. Unfortunately, the aim of both projects was to draw recommendations for Counterpart and Eurasia Foundation grant strategies and thus the researches did not have academic aims. As a result, the concept of SE in Ukrainian realities is not sufficiently explored.

It is important to note that SE projects or so-called "social enterprise initiatives" were created both in hospital and community-based rehabilitation centres. Such definitions are created because in fact Ukrainian SEs not being able to sustain themselves, require constant external funding and because of this they are based on external grant funding. Many of such enterprises are employment projects [22, 20, 12] rather than profit-making entities. They hire users to perform a job, which is useful for the enterprises themselves and are beneficial for the goals of the funded project. Salaries are paid from the funding of the donor.

Thus, the SE development in Ukraine is not connected with the process of deinstitutionalisation in Ukraine and the latter is not happening yet. It is rather an attempt to improve the quality of mental health services and to make hospital and community based programs more sustainable. As international donors of SE projects are temporal, the sustainability of the programs is temporal as well. Moreover, it is aimed at the development of local community, which in the future can be able to integrate users.

The main difficulty of introducing SE concept in Ukraine realities is the lack of the actual "community" in Ukrainian society. This concept has existed and was very strong in Ukrainian society before the era of communism, but the politics of Soviet Union have totally destroyed it. This holds particularly for central, eastern and southern regions of the country. The lack of the "community" spirit in Ukrainian society results in the aggressive attitude of community members towards

users, who are living or conducting activities in the community [4]. This creates another obstacle for the process of deinstitutionalisation. The experience of the NGO "Social Development Support Agency" has showed that there are numerous complaints and hostility of neighbours towards peaceful gardening activities of users.

In short, what is happening in Ukraine is the situation in which the development of social entrepreneurship precedes the process of deinstitutionalisation. This results in the lack of the developed community and integrated independent users - the platform of SE development, which leads to the unsustainability and fragility of the existing SEs in Ukraine.

### Discussion and Conclusion

One of the limitations of the current paper is the difficulty of comparative analysis of SEs across countries because SEs have different characteristics in the countries which were mentioned in the course of the paper. Moreover, it is not possible to ignore some of the critical attitudes [21,5] towards the SE concept, its development and impact [18]. It might be useful to give up analysing SE as a particular type of organisation and rather refer to

it as to "a range of overlapping agencies, objectives and values" as in reality the concept of SE is still experimental, though it receives immense financial contributions from different international agencies [18].

To conclude from the current research, SE is not the current form of deinstitutionalisation of mental health patients in Ukraine. It is rather a hybridised tool of the temporal sustainability of existing hospital and community-based rehabilitation centres and development of local communities, which in a long-term can enable and stimulate deinstitutionalisation of mental health services in Ukraine.

The research of "institutional entrepreneurship, particularly "social entrepreneurship" whose activities result in institutional change", such as the process of deinstitutionalisation of mental health services, is an important topic in developing public health and medical sociology research in Ukraine because it makes it possible to analyse "how fields get constructed, how new institutions arise and how existing institutions are transformed" [16]. Such research enables academics to capture dynamic institutional changes in health care systems of societies in transition.

1. Alter, S. K. Case Studies in Social Enterprise,- Counterpart International. Inc., 2002.
2. Burti L. Italian Psychiatric Reform 20 plus years after II Acta Psychiatr Scand: Munksgaard, 2001.
3. Eurasia Foundation Research into SE in Ukraine. Final Report. Unpublished Manuscript. Provided by NGO "Social Development Support Agency".- 2004.
4. French, L. Victimization of the Mentally Ill: An Unintended Consequence of Deinstitutionalization II Social Work.- 1987.- Vol. 32,-N 6.
5. Friedman V. J. The Incubator for Social Entrepreneurship: Creating Partnerships for Second Order Social Change. Paper presented at the Annual Conference of the International Society for Third-Sector Research, Dublin, Ireland., 2000.- Retrieved from [www.jhu.edu/~istr/conferences/dublin/volume.html](http://www.jhu.edu/~istr/conferences/dublin/volume.html).
6. Hans-Joachim //., Wulf R. Deinstitutionalization of psychiatric patients in central Europe II European Archives of Psychiatry and Clinical Neuroscience, 1999.
7. Hatcher M., Rasch J. Deinstitutionalization and Community Based Treatment Alternatives II Journal of Rehabilitation.- 1980.
8. Health Care Systems in Transition (2005). HiT Summary. Ukraine. European Observatory on Health Systems and Policies.- Retrieved from [www.observatory.dk](http://www.observatory.dk).
9. Jenkins J. H. Anthropology, Expressed Emotion, and Schizophrenia II Ethos.- 1991.- Vol. 19.- N 4.
10. Korol N. et al. Mental Health in Ukraine: Problems and Perspectives II InterMinds Newsletter. Issue 8.- 2004.
11. Kreig R. G. An Interdisciplinary Look at the Deinstitutionalization of the Mentally Ill II Social Science Journal,-2001.-Vol. 38,- Issue 3.
12. Lucas J. An adventure into the Unknown: Creating Employment Opportunities in Eastern Europe II A Life in the Day Volume,- 2005.- Vol. 9.- Issue 2.
13. Newton L. et al. Deinstitutionalisation for Long-term Mental Illness: an Ethnographic Study II Australian and New Zealand Journal of Psychiatry,- 2000.- Vol. 34.
14. Nottestad J. A., Linaker O. M. Psychotropic Drug Use among People with Intellectual Disability before and after Deinstitutionalization II Journal of Intellectual Disability Research.- 2003.- Vol. 47,- Part 6.
15. Oliver C. The Antecedents of Deinstitutionalization II Organizational Studies.- 1992.-Vol. 13/4.
16. Organization Studies. (2005). <http://globalcdge.msu.edu/academy/offsite.asp?>
17. Ota De L., Mauri D. From Deinstitutionalization to the Social Enterprise II Social Policy- 1993.- Vol. 23.- Issue 2.
18. Pharoah C, Scott D., Fisher A. Social Enterprise in the Balance. Challenges for the voluntary sector. UK: Charities Aid Foundation, 2004.
19. Sealy P., Whitehead P. Forty Years of Deinstitutionalization of Psychiatric Services in Canada: An Empiri.- 2004.- Vol. 49.- № 4.
20. Social Development Support Agency "Creating employment opportunities for people with mental health problems" TACIS/IBPP Final Report. Unpublished manuscript, 2004.
21. Spear R. The Nature of Social Entrepreneurship - Some Findings II Revised version of paper presented at ISTR conference, Dublin, Ireland.- 2000.- [www.jhu.edu/~istr/conferences/dublin/volume.html](http://www.jhu.edu/~istr/conferences/dublin/volume.html).
22. Tackling Mental Health Issues through Enterprise. Final Report to the Small Business Service. MIND/Social Firms UK.- 2004.- <http://www.sbs.gov.uk/content/analytical/tacklingmentalillness2.pdf> .

*Ольга Голіченко*

**СОЦІАЛЬНІ ПІДПРИЄМСТВА ЯК ФОРМА  
ДЕІНСТИТУЦІАЛІЗАЦІЇ ПОСЛУГ У СФЕРІ ОХОРОНИ  
ПСИХІЧНОГО ЗДОРОВ'Я В УКРАЇНІ**

*У статті досліджено зв'язок між розвитком соціальних підприємств та процесом деінституціоналізації послуг для людей з проблемами психічного здоров'я в Україні. На думку автора, соціальні підприємства в Україні розвиваються під впливом своєрідного альянсу американських та європейських моделей. Розвиток соціальних підприємств передує деінституціоналізації, тому вони є слабкими та нестабільними. Нині розвиток соціальних підприємств не є частиною процесу деінституціоналізації, а скоріше механізмом тимчасової фінансової підтримки місцевих громад, людей із проблемами психічного здоров'я та інших вразливих груп.*