Public foundation, private profit. Mental health commercial logic in Galicia: present and past.

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#### Outline

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- Starting points: an ongoing in progress research (methodology)
- Basic concepts: political economy, social legitimacy.
- Theoretical framework: Luhmann's theory, social systems and complexity
- 🗆 Galicia: basic data.
- Conxo: 1885-1889, foundation and Moorgate constitution. From civic to Christian charity land.
  - 1892-1924: Capital and commercial logic of a public founded Mental Health institution. 1969: Sold to public health system.
  - A net of connections: Religion / Banks / Psychiatry.
- **2010:** Galician public health foundations
- Conclusion: public foundation, private benefic, political economy of a legitimated robbery.
  Coimbra, October 2010

**Starting points:** an ongoing in progress research (methodology).

□ Two sources of data:

- 1885 Opening of Conxo's Asylum: Diocesan Archives of Santiago de Compostela cathedral
- 1982 2005 Two public foundations: public economic annual memories.

### Political economy.

- "The central assertion of this book is that the world of humankind constitutes a manifold, a totality of interconnected processes, and inquiries that fail to reassemble it falsity reality" E. Wolf 1982 Europe and the people without history. Berkeley: University of California Press
- Political economy: reconstruct those connections that allow us to see a complex interconnected society at work.

### Social legitimacy.

Processes whereby an act, institution, or ideology becomes legitimate by its attachment to norms and values within a given society.

□ It is the process of making something acceptable and normative within a group.

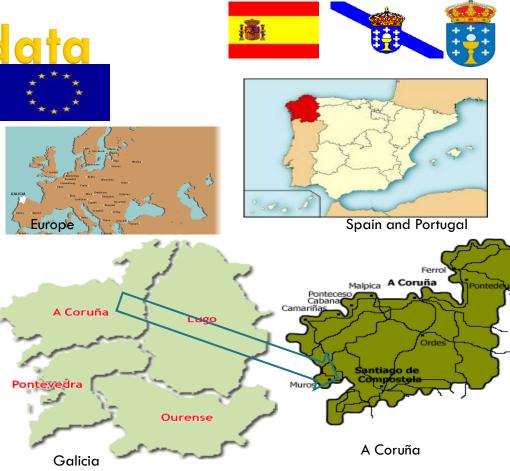
# Social complexity systems: Luhmann's theoretical framework

- Epistemological framework: Spencer- Brown, Laws of forms
- Complexity: no element can observe the whole system
- Evolution and change
- Sociology is not an ethical enterprise to change societies

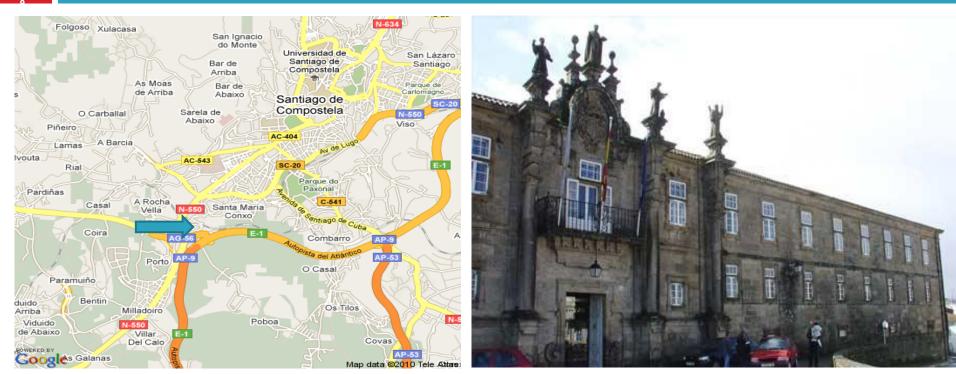
## Galicia: basic data

- $\hfill\square$  30,000  $\mbox{km}^2$  , 6% Spain
- 2.800.000 inhabitants 7%Spain
- Languages: Spanish and Galician
- 93,78 hab/km<sup>2</sup>
- One of the 17 Autonomous
   Communities
- 1981: Autonomous

Act.



### Conxo: Monastery, Asylum, Sanitarium, Provincial Hospital



#### Public land: M. García Cuesta (1803-1873).

- He ceded land in 1865 for the construction of Conxo Asylum for the Insane Galician Charity
- During the 19<sup>th</sup> century, the Spanish monarchy creates
  - The City and County Councils
  - The provincial / regional organizations, and
  - These two "new" economical institutions obtain "legal power" to govern Charity, Philanthropy and Beneficence.

#### Bishop of Santiago between 1951 and 1873



#### wikipedia.com

## Christian land: M. Paya (1811-1891)

- He rediscovered the remains of the "apostle" re-launching pilgrimages.
- Conxo Monastery recovered property (thanks to the return of some Mercenary monks)
- He directs and finances construction and opened the Asylum in 1885 under the Compostelana Bishopric property
- Victoriano Guisasola y Rodríguez Obispo entre 1886-1888

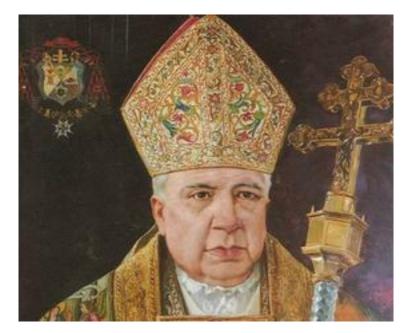
#### Bishop of Santiago between 1873 and 1886.



Portada libro: Pilar Tormo 1992 *El Cardenal Payá, apuntes para una biografía*. I.T. San Indefonso. *EN* <u>http://books.google.es</u>

#### Paya's letter to his successor Martin in 1889

""" "No hay Prelado alguno que disponga de una joya como esa [Manicomio de Conxo], y por ende es deber, interés y gloria de los Compostelanos el conservarla a todo trance y mejorarla de día a día (...) Cuando yo llegué a Santiago lo encontré detentada por manipuladores de la administración civil" (subrayado nuestro; AHDS, Fondo General, Beneficencia, legajo 444; Simón 2003).



#### Paya's letter to his successor Martin in 1889

□ "lo hecho por mí en obseguio de nuestros ilustres antecesores y en servicio de nuestros sucesores y para que la revolución no lo arrebate como pretendían... por la Gloria de Dios y el servicio de los infelices alienados" (subrayado nuestro; AHDS legajo 444).



#### Mortgage's land: J.M. Martín (1835-1922).

#### 1889: four years after creation

- 300 beds are not enough.
- 1889: A Board of Trustees and Mortgage Credit Project is created (Bishsopric compromises to take care of poor demented and its insane parish priests)
- 1891: Bishop signed agreements with the Provincial of Galicia and Leon to accommodate poor insane (for a minimum stipulated price per stay day)
- 1892: Mortgage loans is constituted:
  - 900,000 pesetas
  - 100,000 appraised value Monastery
  - 300,000 the council contributes
  - 4 parts than 150,000 each: Freire Sánchez medical director Timothy Asylum Blanco Juana Navarrete widow of the founder of Banco Simeon Olimpio Pérez del Banco Gallego

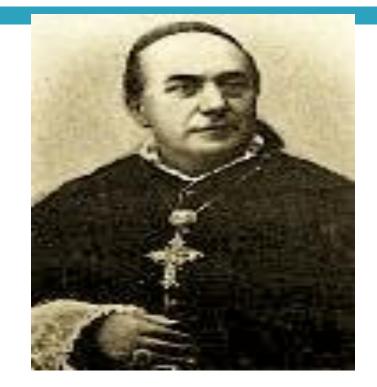
José García Mouriño returned emigrant advice from Perez. The Mencenary monks leave Conxo and nuns sisterhood turns to care for the insane.

#### Bishop of Santiago between 1889 and 1922



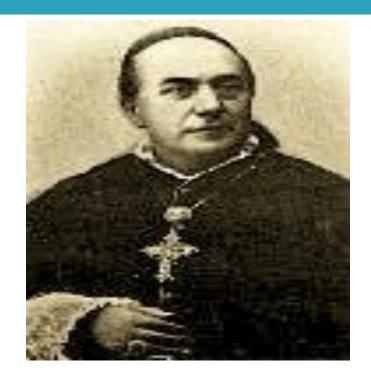
#### Capitals Land: Patronage Project for the Insane Asylum of 1892 Conxo.

• "Las autoridades civiles, salvo la intervención, que por razón de salubridad e higiene y conforme con las leyes vigentes les corresponde en dicho Establecimiento, no podrá ejercer en él ninguna otra con pretexto alguno ni aún con el del patronato o protectorado, <u>cuyas disposiciones</u> legales no son aplicables a la obra pía que nos ocupa, toda vez que sus fundadores constituyen una personas jurídica, <u>que no muere</u>" (subrayados nuestros; AHDS, legajo 444).



# Conxo's Patronage Board: 1897. From lenders to shareholders

- 1897: Mortgage loan has been repaid (5 years after being constituted)
- □ In 1897 Conxo's patronage is created.
- Its benefits would be distributed within seven parts (new shareholders obtained vote within the patronage board) the council:
  - 2 parts for the Cathedral Chapter
  - 1 nominal part for the Bishop
  - 4 parts for each four private originally lenders



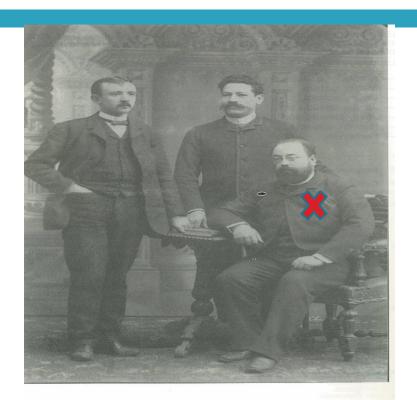
### Religious legitimacy, public capital

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- The Archbishops of Santiago publicly justified private ownership of the Asylum based on religious transcendence: charity, charitable works, private charity.
- In his private correspondence the same semantics remained, but he introduced the economic rationale that we examined below. Civil laws must subordinate under religious capitalist management.

#### Local Banks: Banco Simeón and Banco Gallego

- Simeon Garcia de la Riva (1833-1890) emigrated to Galicia to work in Santiago in the textile sector
- Between 1960 and his death, Simeon founded a network of companies (holding companies that pay rates to the parent company) with connections in Galicia, Spain, Europe and America based on:
  - The marketing of fabrics and cloths
  - Commercial banks to secure promissory notes and checks



#### Conxo's Profits between 1892 and 1924

	Juana Blanco Navarrete (Widow of Simeón García)		
	Loan	Interest / Benefits	
1892	20000		
1893	20000	519,35ª	
1894	20000	2133,54	
1895	20000	3600	
1896	40000	6000	
1897	30000	22842,37	
1898		13889,47	
1899		14,048,14	
1900		14248,19	
1901		14768,01	
1902		15128,97	
1903		16007,04	
1904		14573,69	
1905		15734,9	
1906		13491,93	
1907°		17791.67	

	150000	462092,9
1924		26537,84
1923 <sup>e</sup>		41285,88
1922		22349,52
1921		19368,08
1920		10953,66
1919		4381,9
1918		6821,99
1917		14282,62
1916		14755,66
1915		14738,39
1914		15781,28
1913		16742,62
1912		16885,65
1911		15671,74
1910		16666,21
1909		17193,02
1908		16947,71

#### Conxos' commercial operating logic

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  - Mortgage: it provides detailed concepts about what is considered income and what expenses. Once the subtraction is operated the remaining is defined as profit, and consequently distributed among shareholders-lender.
  - **1907** Lugo's county terminated its contract with Conxo.
    - As a consequence to sustain a profit balance shareholders share an accumulated fund created with a 10% of annual benefits.
    - As a consequence, Conxo's patronage decided to start a propaganda campaign to attract wealthy pensioners



#### Conxos' commercial operating logic

Typewritten note 1918-19 (typed note, presumably the manager, on a half-sheet)

- Profits are down: costs have doubled in the period but not cash entries.
- The cost of the 530 existing patients is divided by the amount earned.
- An arithmetic mean is calculated establishing a profit of 0.10 pesetas per patient per day.
- Consequence: a charge of less than 1.75 pesetas per day of stay for each patient would not produce any "utility" (profit in the vocabulary of the author.)
- It also states:

"No pensioner should pay less than 3 pesetas otherwise, it creates a loss" AHDS, Asylum Fund Conxo 1.

- Effect: increase the number of inmates to increase income:
- In 1912 there were 420 inmates while in 1975 the amount raised till the 1,500 patients admitted (without noticeable re-building).

	Incomes	Costs	Benefits
1910	284.460	163.844	116.733
1911	299.143	177.996	109.702
1912	303.235	191.065	118.199
1913	303.919	193.017	117.198
1914	323.456	207.837	110.469
1915	323.440	220.380	103.168
1916	324.386	229.734	103.287
1917	367.380	271.905	99.978
1918	373.711	311.977	47.753
1919	387.516	356.612	30.904

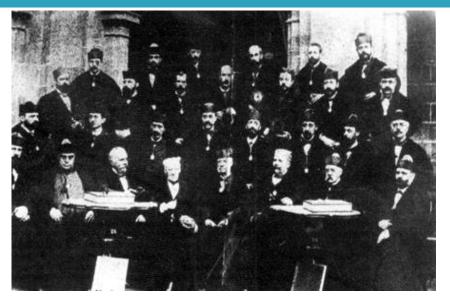
**Tabla.** Tabla en pesetas de Ingresos, Gastos y Beneficios del Manicomio de Conxo entre 1910 y 1919. Transcrita según los datos que figuran en nota mecanografiada en AHDS *Fundación Conxo 1*.

#### **Business logic: philanthropic legitimacy**

- Private banks had a economic profit rationality, and they applied to Conxo's accounting. Trading with textiles or foodstuffs used a similar logic: reducing costs, increase incomes, retain customers...
- This is the semantics used by the commercial banking sector to manage Conxo Asylum.

## T. Sánchez Freire: medical director and shareholder

- Appointed in1895 as Conxo's medical director (he was a surgeon)
- Moral diet (Pinel / Villagoita / Varela de Montes); paternalism, he manteinde a good relationship with the City Council and its Board
- Single, devote Christian.



 web <u>http://www.lacasadelatroya.com</u> "Claustro de profesores que cuenta con la presencia de don Timoteo Sánchez Freire, don Cleto Troncoso o don Jacobo Gil (Don Servando)".

#### T. Sánchez Freire: Burgess psychiatry.

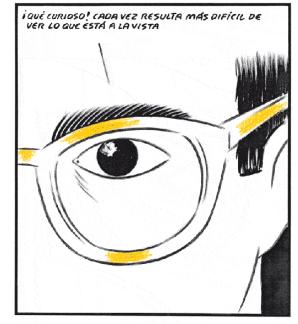
- Dementia is not curable, but it is re-educable (hypnotism)
   Asylums' building is the cure
- Timothy denies entry to students from the Faculty of Medicine of USC to Conxo in 1902 (being a teacher of USC).
   In 1906 he withdrawn his Conxo's professional attachment, he died in 1921.
- His shares are sold and distributed among the remaining shareholders after his death.
- Barcia Caballero was his successor in Conxo's medical direction; he wrote a "biologist" psychiatric treatise. He left medical direction in 1912 and Bacariza Varela toke over it until 1930.

## Paternalistic medicine / Philanthropy and Catholicism

- Conxo's medical director Semantics (and his successors till 1930) imbued within medical logic of the time :
  - custody of the insane,
  - moral treatment of alienated
  - insulation,
  - economic protection of private investment
  - Charity...

## Paternalistic medicine / Philanthropy and Catholicism

 Moral treatment based on insulation defended by Timothy and a biological protopsychiatry used by Sanchez Barcia generated a semantic consistent with those described in the two preceding parts: the religious logic of the Archbishop and the economic logic of civil investors.



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#### **1990-2005**: Galician public health foundations

#### **Discussion and final conclusions**

"La historia de la psiquiatría es la historia de los seres humanos tanto enfermos como médicos aliados en una tarea común. Cuando el historiador de la psiguiatría cae en la cuenta de esta verdad es el momento en que por primera vez se pone en la posición de hacer buena historia" Berrios 1995, citado en Simón 2003: 387.

#### Discussion and conclusions

La historia de la constitución del Manicomio de Conxo es la historia de una entidad privada, regida con la lógica racional de la económía comercial del beneficio, financiada con fondos civiles a través de las Diputaciones, y legitimada socialmente desde la Religión católica donde los dementes pobres vivieron su alienación. **mtcubeiro@edu.xunta.es www.torrescubeiro.com** http://moodle.torrescubeiro.com (enter as "invitado")

> Public foundation, private profit. Present and pass of the Mental health commercial logic in Galicia.

"A tola", Castelao 1931

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