Using the Medical Group as a Research Facilitating Tool in an Economics College

José Pedro Pontes

The learning group in regional economics works in a similar way to the Balint medical group. During a session, a ‘problem’ is presented by a group member, in the context of a rotation or ‘turn taking’. The other members do not try to ‘solve the problem’ by adding technical information or giving ‘advice’ to the presenter. Instead, they explore its meaning by treating the issue as if it were their own problem, revealing in a loud voice their free associations with the topic initially presented. This kind of reflection helps the presenter because it forces him or her to ‘think further’ about the issue, overriding the trend to solve the problem in an automatic, pseudo-intuitive way.

Key words: learning group, Balint, psychodynamics, economic education

Introduction: Previous Experiences of Group Learning in Economics at Lisbon University
Standard learning methods in the university are quite simple as they imply a ‘receptive’ stance by the students who are supposed to attend lectures given by professors, and then revise the taught matter by reading textbooks after the classes. This ‘passive’ posture is also an ‘individual’ one, since students do not cooperate much among themselves while learning. Under this framework, learning is the simple memorization of the theory transmitted during lectures, while it
should be rather regarded as the outcome of a personal reinterpretation of the programmed knowledge by the student (Thornton, 2010).

Furthermore, this procedure excludes an important segment of the school from learning, namely more senior professors and researchers, who need a continuous updating of their knowledge basis, and a collective backup of their individual research processes. Hence, at the School of Economics and Management of the University of Lisbon (henceforth SEM/UL), there is an attempt to form learning groups that meet periodically with the purpose of supporting and advancing the personal research of each member. This attempt takes two successive forms: the MicroUECE learning group; and the group analytic coaching of the Economics Department Seminar at SEM/UL.

The MicroUECE Group

During the academic year 2009–10, a learning group, labelled as MicroUECE, was launched including researchers from a project inside UECE, the research centre that contains most economics researchers within SEM/UL. This was indeed a ‘learning group’ rather than a ‘team’, in the sense of Thornton (2010), because it aimed to stimulate the private research goals of each of its members, rather than pursuing a common goal (a ‘research project’ or a ‘joint paper’).

A good description of workings of MicroUECE can be found in Pontes (2011). The members of this group had different specializations, although they could be subsumed under the common trait of microeconomics, i.e. the field of economics that deals with the decentralized behaviour of individual economic agents (firms and households)¹. The group had six members, including myself who acted as coach, given my previous experience in psychodynamics. Three group members were professors of the Economics Department of SEM/UL and the remaining members belonged to other Lisbon based institutions.

The group MicroUECE had a monthly meeting. In each session, the coach assigned the ‘turn to speak’ to each member, reserving for himself the last turn. The interventions by the members varied a lot in length of time: from a five minute statement about the research work done since the last group meeting to a full presentation of a paper, lasting about 30 minutes. Sometimes, the ‘turn taking’ was upset by a dialogue between the members who commented on each other’s activities. This dialogue always took place after all members had taken their ‘turn to speak’.

¹ microeconomics, i.e. the field of economics that deals with the decentralized behaviour of individual economic agents (firms and households)
Looking retrospectively, and referring to Thornton (2010), learning in this group was the result of a tension between ‘holding’ (the safety/stability feeling provided by the group working rules, which are enforced by the coach) and ‘exchange’ (the contact with new/different knowledge, that works as a ‘challenge’ for the subject of learning). Clearly, although very informal, MicroUECE ensured both of them. On the one hand, ‘turn giving’ gave ‘holding’ to each participant, since it ensured that he was listened to in silence by the other members, thus avoiding an excessively fierce competition for speaking time and tough criticisms among group members. On the other hand, the ensuing discussion created an opportunity for members to ‘exchange’ ideas, thus making it possible for each participant to benefit from new and challenging information.

The Group Analytic Coaching of the Regular Seminar of the Economics Department of SEM/UL

The Economics Department of SEM/UL and UECE had for a long time a regular research seminar, with a weekly or fortnightly frequency. In each seminar session, a speaker (either from SEM/UL or from an outside institution) presents his research paper lasting about 45 minutes. Then, there is a period of questions and answers, where a member of the audience poses a question that is immediately answered by the presenter.

The seminar had two related problems (see Pontes, 2011):

The first was an ‘empty room’ problem. It often happened that very few people attended the seminar sessions (sometimes only the seminar organizers were present), which was particularly embarrassing when the presenter came some distance from an external institution, and was faced with an apparent lack of interest in his work by the home institution. This problem was ‘hidden’ in a certain way through the selection of a small room for the seminar to take place.

The second problem followed from the first one. The fact that very few people attended the seminar sessions created in the institutions—such as FCT that evaluated UECE—an impression that the research centre lacked cohesion, and that the research interests of its members had almost nothing to do with each other.

The reform of the seminar protocol was threefold:

1. The seminar room was moved to a larger room, in order to reveal the core issue, i.e. the ‘empty room’ problem.
2. The scarcity of audience was accounted for by a lack of ‘holding’ by the seminar attenders. Nowadays, most research in economics
is very ‘technical’ and specialized, making it difficult for listeners to understand and adhere to its premises. In order to overcome this problem, a coach was introduced, with the specific mission of ‘explaining’ the paper, using a simple, non-technical language. The coach varied from session to session, but he was always a member of SEM/UL, often endowed with authority (a full professor, chairman of SEM/UL, chairman of UECE, head of the economics department) in order to maximize the feeling of safety among the attenders.

3. During the discussion stage, the presenter was kept ‘outside the session’ (in silence) in order to stimulate the attenders to speak and give a personal reinterpretation of the paper to the speaker, who therefore received ‘exchange’ for his presentation. The presenter only spoke at the end of the session, drawing the main conclusions.

This reform faced a lot of resistance, so that it worked fully only during 2010–11 when I took charge of it. In the following year, 2011–12, the room and the coach were retained, but the practice of keeping the speaker outside the discussion period was discarded. Finally, in 2012–13 (the current academic year), even the coach was removed, with the consequence that the empty room problem emerged again.

In academic year 2011–12, we launched a new learning group where the scope was defined as ‘regional, urban and transport economics’, with the acronym UrbanEcon. However, this time we wanted the group to work according to a more precise protocol. Following Thornton’s (2010) suggestion, the so-called Balint group appeared as the most efficient and time-saving model. Saving time matters because usually professors have their time consumed by heavy teaching loads and administrative work, so that their availability to meet is rather limited.

Consequently, in order to understand the workings of UrbanEcon, we need to have an insight of the Balint group.

The Balint Group
What is a Balint Group?
Balint groups consist of doctors (general practitioners or GPs) and they stem from the work of psychoanalysts Michael and Enid Balint in the UK in the beginning of the 1950s. These kinds of groups have developed and evolved much since then. The main goals of Balints’ work were, according to Lichtenstein and Lustig, 2006:
1. To encourage doctors to value their own interpersonal skills and become aware of their own limitations in this field.
2. To increase the perception and understanding by the doctors of the patients’ communications.
3. To enable doctors to become conscious of the blind spots (aspects that they neither want nor are able to understand) during their interaction with patients.

A Balint group is made up of a certain number of GPs, between six and 12[^3], and a group leader endowed with psychoanalytical (or group analytical) training. Sessions have a weekly or fortnightly frequency and may last for several years.

Michael Balint mentioned that ‘a personality change’ through this technique takes about two years to be completed, so that a group should last, at least, for this time lapse. Kjeldman et al. (2004) consider that some effect is felt after one year of regular sessions, so that they classify the doctors in the following classes:

1. GPs that never participated in a Balint group.
2. ‘Young’ Balint GPs, who have attended the group during one or one and a half years.
3. ‘Experimented’ Balint GPs, with two or more years in the Balint group.

During each session, according to a rotation, a GP presents a clinical case involving one patient. Then, the group discusses the case, exploring it from the perspective of both the doctor and the patient.

‘Patient-centred’ instead of ‘Disease-centred’ Medicine
The main contribution of the Balints’ work is that it does not attempt to isolate a specific ‘disease’ (either psychological or organic) in the patient whose case is discussed in the group using ‘technical’ or ‘medical’ knowledge. Instead the group treats the patient as whole, a ‘human being’, integrated in his or her social environment, rather than a mere set of symptoms (Balint, 1969).

In the traditional medical relationship, the doctor had an active role as some kind of ‘detective of diseases’ in the patient. By contrast, Balint groups assume that the patient has an active role by choosing a specific way of ‘using’ the doctor, as if the doctor were some kind of ‘medicine’. Hence, the patient is not in a fixed position assigned by the doctor, but he is rather ‘loose’, in the sense that he can choose the kind of relationship that he desires to maintain with the doctor.
The relationship itself is in the centre of the discussion by the Balint group (Kjeldman et al., 2004). This shift in perspective can take place in any kind of learning group as the UrbanEcon group in the economics school. Suppose that a group member presents a research problem. Then, rather than attempting to solve the problem exactly through the use of a technical knowledge, the group can try to ‘reframe’ the problem through exploring its meaning. According to this line of behaviour, each group member deals with his free associations with the problem presented and he treats the problem as if it were his own problem.

**Benefits of the Balint Process**

The working of a Balint group for several years improves the quality of the doctor–patient relationship, thus benefiting both. Turner and Malm (2004) report that resident GPs who had participated in training available through the Balint group had higher grades than those GPs without Balint training in fields such as:

- Knowledge of the reactions by the patient to his doctor.
- Self-understanding by the doctor.

The improvements concerning the patient were unsurprising:

1. Doctors feel more able to treat patients with psychosomatic diseases.
2. They feel also more skilled to handle patients with ‘vaguely defined’ or ‘intractable’ health conditions.
3. They tend not to refer these kinds of patients to other doctors, nor to prescribe unnecessary examinations, in order to ‘rid themselves’ of the patient.

However, the gains for the doctors themselves were rather unexpected (Kjeldman et al., 2004):

- They seem to have developed a higher ability to control their working hours, both in terms of content and time spending.
- They appear to be more satisfied with their work situations.
- They show to have implemented adapting strategies in order to cope with professional stress.
'Holding': the Safe Environment and Stable Rules

A key factor of learning in a Balint group, as in any small group, is the creation and of an atmosphere of safety and trust, similar to what is given by the mother to her child when she ‘holds’ the baby in her arms (Thornton, 2010).

In the particular case of the Balint group, safety follows from a stable set of rules implemented by the leader. These rules prevent the members from competing too fiercely for speaking time and allow them to express divergent points of view without being subjected to harsh criticism or cross examinations.

The rules may take this form:

1. A GP presents a clinical case in 10 minutes. The other members stay silent.
2. The group discusses this case, as if it were their own, during 20–25 minutes. During this stage, the presenter ‘stays out’ of the group, keeping silent.
3. The presenter ‘comes back’ and outlines the topics of the discussion that were more helpful from his viewpoint in 5–10 minutes.
4. All the group members talk freely. Each participant tries to express the ‘repressed feelings’ experimented during the former stages, during 15 minutes.

This protocol allows each member to feel safe when speaking, because it ensures that the others listen to what he is saying. As Kjeldman et al. say: ‘The stable frames and safe milieu in the Balint group, maintained by the leader, can probably act as a greenhouse, facilitating the physician’s growth’ (2004: 235).

'Exchange': Mobilizing the Group to Its Task

The concept of ‘exchange’ is related to the emergence in a group of new or different knowledge which challenges the group members and leads to their growth. According to Thornton (2010), in a Balint group there is no common learning goal, each participant having his own learning task. However, Johnson et al. (2004) say that the leader should ‘initiate’ or ‘mobilize’ the group to achieve its specific task.

Why Does the Balint Group Work?

Lichtenstein and Lustig (2006) give the following rationale for the efficiency of Balint groups in improving both the patient and the GP.
They are inspired by the work of economics Nobel laureates Kahneman and Tversky on the intersection of economics and psychology.

When a GP faces a new patient, he feels uncertain about diagnosis. Moreover, he has to take a fast decision because either the case is urgent, or he has many patients to handle during a short time lapse. Then, the doctor is tempted to rely automatically on his intuition. The diagnosis thus produced may reveal itself as false, being the outcome of a premature closure of the diagnosis process.

In this situation, the doctor needs to stop and monitor his automatic intuition. Probably, it is advisable to consult the medical literature, or a colleague or to prescribe more examinations, in order to superimpose automatic intuition with deliberate reflexive thought.

The Balint group is efficient in performing this process of carefully supervising the intuition of each of its members. The group’s role is not to give technical advice to the involved GP, since this advice could also be distorted. Instead, each group member should say in loud voice ‘. . . if I had this case, how would I behave?’.

The Learning Group in ‘Regional, Urban and Transport Economics’ (acronym UrbanEcon)
In SEM/UL, a learning group in the field of ‘regional, urban and transport economics’ was launched, starting on 23 May 2012, thus completing in about two years. It borrows the Balint protocol described above.

Regional and urban economics deals with the location choice by households and firms at both a macro-scale (the region) and a micro-scale (the city). The analysis is focused not only in static terms, concerning the formation of economic landscapes, but also according to a dynamic perspective, concerning regional growth.

Transport economics is a different field, since it is related to the sectorial organization of the flow of cars/buses, trains and airplanes. Nevertheless, it is related to the former topic, since there is a two-way causal link between the adoption of modern transport technologies and the locational pattern.

Regional, urban and transport economics perform an analysis mostly at the disaggregated agent (household, firm, transporting agent), so that it exhibits a distinctly ‘microeconomic’ flavour. Most research in this field is empirical, although a minority of researchers attempt to apply microeconomic theory (including game theory) to location choices and regional growth.
The UrbanEcon group was initially composed by seven members (myself as a group leader, labelled here as Pedro, Elisabete, João, Joana, Manuel, Regina, Vítor), who were mostly college professors from the economics department of SEM/UL, although there was also a non-teaching researcher (Elisabete), and a professor from another University (Regina). An eighth member, Isabel, from the mathematics department of SEM/UL, joined the group in 2nd October 2013. Finally, a ninth member, Sérgio, joined the group during its final period.

The group has a one hour meeting each fortnight. The meeting takes place regularly at the same day, at the same time, in the same room (or in neighbouring rooms). The room is equipped with a large, white board and the members sit around a table. Each group session is announced two weeks before and a reminder is sent two days before the meeting. Announcements and reminders are made by email.

The topics of the group sessions that took place and the presenters are the following:

1. Pedagogical problems raised by the discipline urban economics (undergraduate students). Presenter: Pedro; Date: 23rd May 2012.
3. Challenges posed by the reform of urban taxation. Presenter: Vítor; Date: 20th June 2012.
4. Potential of development of a mega-cluster around the ocean in Portugal. Presenter: Regina; Date: 3rd July 2012.
5. Coordination games in regional economics. Presenter: Joana; Date: 18th July 2012.
6. Coordination games in regional economics. Presenter: Pedro; Date: 19th September 2012.
7. Non monocentric cities—their importance in the Portuguese economy. Presenter: Manuel; Date: 3rd December 2012.
11. Appraisal of programmes of cohesion policy in the long run for 15 Portuguese regions. Presenter: Regina; Date: 4th December 2012.
12. Coordination games in regional economics. Presenter: Pedro; Date: 9th January 2013.
13. The role of institutions of higher education on regional development. Presenter: Vítor; Date: 23rd January 2013.
14. Development of a research programme in transport economics and policies both at the national and European levels. Presenter: Elisabete; Date: 6th February 2013.
17. Regional integration and business locations: a long run approach to the cork industry in the Iberian Peninsula. Presenter: João; Date: 20th March 2013.
18. Portuguese aquaculture: the emergence of an ‘Anti-Commons’ tragedy. Presenter: Manuel; Date: 10th April 2013.
20. Territorial governance in Portugal. Presenter: Regina; Date: 29th May 2013.
22. Balanced growth. Presenter: Joana; Date: 18th September 2013.
23. Fraction panel data with non-observed heterogeneity: an application to intra-trade indices. Presenter: Isabel; Date: 2nd October 2013.
27. Coordination and Development: Presenter: Joana; Date: 11th December 2013.
28. Shall we have highways or factories? Presenter: Pedro. Date: 8th January 2014.
Adaptations made in UrbanEcon in Relation to the Medical Group
We will now describe the main adaptations that UrbanEcon shows in relation to the medical Balint group at the different protocol stages.

The Presentation Stage
Our initial intention was that both ‘pedagogical’ problems (arising with students) and ‘scientific’ problems could be tackled during group sessions. The former problems seemed to me a more straightforward application of the Balint work. Hence, in the first session, I myself presented a ‘problem’ concerned with an apparent ‘teacher’s failure’ in an urban economics discipline for undergraduate students.

However, my colleagues did not find pedagogical problems to be interesting enough for being the subject of reflection in the group. Henceforth, all presenters except for me proposed scientific/research problems for discussion. My interpretation is that research is nowadays a much more decisive factor of professor’s promotion than teaching. We can also interpret this attitude as a way of avoiding to deal with human relationship problems and concentrating instead in technical, impersonal information.
With the exception of Joana and myself, who were engaged in theoretical work (application of game theory to regional growth), each group member used each one of his presentations to discuss a different problem (a different project). I told them that this was not necessary, so that the same ‘problem’ could be repeated in several sessions, maybe with a slight shift of focus. This repetition is standard in medical groups, where the same patient is repeatedly seen by the doctor for several months or years.

How to explain this difference? My opinion is that the group members find the group time too precious to be wasted with the discussion of a single paper more than once. Furthermore the repetition of the same problem across group meetings could make their inquiry too ‘deep’ and subjective, so that it was avoided.

In the medical group, the presenter is selected without preparation, in the beginning of the session. Furthermore, presentations are exclusively verbal, no written notes being allowed as basis for the presentation. By contrast, in UrbanEcon, the presenter is selected in advance (in each session, the presenter is chosen for the next session among the members who attend the current session), he is supposed to write a note with topics, not longer than a A4 sheet of paper, one-sided, and send it in advance to other group members.

Clearly, this adaptation decreases the spontaneity of the group meeting and increases the role of the technical information in the reflection in detriment of the free association of each member with the problem presented. But it is needed since the session is focused on a scientific problem, rather than on a human relationship problem. The written note also provided a record of the topics discussed during the session.

Furthermore, the members showed a tendency to increase the size of the written note beyond the upper bound and it was necessary to stress that this bound should always be respected, for the sake of the verbal nature and spontaneity of this process. Again, we can conclude that the members tried to increase the role of technical and scientific information in detriment to a more personal engagement in the process.

Since some of the presentations were related to papers where the presenters had co-authors, these were also invited to join the group in the respective session. This also concerned foreign co-authors who happened to be in Lisbon at the time of the group session.

Reflection by the Group
On some occasions, the leader of the group had to intervene in order to prevent a direct reply by the presenter to the member of the group
that made a sharp comment. This happened more often in the first sessions. As practice accumulated, this kind of intervention by the group leader became unnecessary.

In order to ensure a safe atmosphere, so that each member should have time to make a comment, a turn-taking structure was implemented in this stage. However, as Vítor noticed, this structure of the reflection stage is merely optional and can be broken in some circumstances (and indeed it was). In this case, the group leader had to ensure informally that each group member spoke during this stage.

**Reaction to Comments by the Presenter**

The presenter in UrbanEcon tried to reply to all members of the group, instead of concentrating on those comments that contributed more to further his own research, as in the standard Balint group. This behaviour aimed to preserve a nice and good-mannered atmosphere during the group session at the cost of making the learning process less efficient.

**Final Revision by the Group**

This stage proved to be very important not only to allow the members to say ‘what had not been said before’, thus revealing repressed feelings, as in the standard Balint group, but also to introduce a discussion where the participants can compete more freely while speaking.

Up until now, the structure ‘one talks, the other listens in silence’ preserved safety among the group members, giving holding to the presenter in particular. Now the members are free to challenge each other with different knowledge, thus creating the opportunity of exchange to arise.

This is the more therapeutic stage. During one of the last sessions, Regina said ‘this process enables us to learn and, moreover, it makes us feel good’.

**Is the Analogy between the General Practitioners’ (GP) Group and the Economics Professors’ (EP) Group Sound?**

From what has been said above, it is clear that there are important differences between GP’s and EP’s groups. Firstly, the GPs are by definition unspecialized physicians. By contrast, the EPs engage in research in a very narrowly defined and specialized way, although they are all committed with the spatial or geographic nature of economic phenomena. Secondly, GPs in a Balint group discuss a clinical case, so that a third person (a patient) is involved. By contrast, in the
UrbanEcon group no third part is involved in the process. Instead, a ‘problem/question’ that arises during research is brought to the group and discussed within it.

These differences do not matter very much. Even if the members of EPs group have differentiated skills, the holding provided by the group allows them to find a common ground, where they can communicate freely at an empirical level. This means that, when a presenter puts forward a problem, there will be one or two members that can give a technical contribution, while the others can reframe the problem, by associating it freely with their own experience. In the Balint group, the latter kind of feedback outweighs the former one.

That most communication is non-technical explains the coexistence within the group UrbanEcon of members with very dissimilar backgrounds. For instance, a member belongs to a geography department, where very little mathematics is taught, and another one works in a mathematics department. One should bear in mind that in this kind of group, learning goals are private to each group member.

Secondly, the fact that the economics researchers’ group has no ‘outside person’, such as the patient that is discussed by general practitioners (GPs) in a Balint group does not represent a substantial difference. In the medical group, the GP that in turn presents a clinical case, transfers the relation he has with the outside patient to the fellow group members. This projection allows him to reflect more and improve the relation with the patient.

Something similar occurs when the Balint group is transposed to the facilitation of academic research. As McCloskey (1991) stressed, the increasing degree of specialization of academic research in economics and the fact that this increased division of labour comes together with a deeper use of mathematical and statistical formalization determines that, within each specialized field, a jargon is used that is not easily understood by outsiders to this specialized field.

Consequently, considering his career, an economics professor (or researcher) deals with two different sets of colleagues:

The ‘visible college’, made by his colleagues, whom he can meet often, because they have offices either in the same building or in adjacent buildings.

The ‘invisible college’, made by the authors of the main scientific publications in his specialized research field. These reputed academics are the editors and referees in the most prestigious peer-reviewed journals in his specialized field, so that they can control his probability of success in scientific publications and consequently his whole academic career (finding a job, being promoted and so on).
Basically, the working of the UrbanEcon group enabled each member to transfer his relation with the ‘invisible college’ (the scientific authorities in his field, who also evoke parental figures) to the relation he holds with the ‘visible college’ (the fellow group members). In particular, this allows each member to assess and choose the adequate degree of difference and originality of his work in comparison with the mainstream literature in his specialized field.

**An Example: What did I Learn Personally with UrbanEcon?**

Within UrbanEcon, besides coaching the group, I was also a presenter and a group member. For that purpose, I teamed up with Joana, so that we coordinated our presentations in order to write a final joint paper.

Our learning goal concerned the modelling of regional growth through non-cooperative game theory. Let us assume a static game with several (Nash) equilibrium points. The selection of a single equilibrium involves the specification of beliefs by each player concerning the other players. Different equilibrium points may involve very heterogeneous outcomes, namely stagnation *versus* growth. As Luce and Raiffa say:

> For a given society, a set of moves and patterns of behaviour gradually build up and then remain stationary for long periods of time; yet another society, with approximately similar initial conditions, will evolve to a quite distinct pattern of cultural norms. Loosely speaking, we may regard these as two possible equilibrium ‘solutions’ to this game. (Luce and Raiffa, 1957: 105)

An example is given by the following profits matrix:

<table>
<thead>
<tr>
<th></th>
<th>Clothing Producer</th>
<th>Food Producer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>( I )</td>
<td>( N )</td>
</tr>
<tr>
<td><strong>I</strong></td>
<td>8,8</td>
<td>6,0</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>6,0</td>
<td>6,6</td>
</tr>
</tbody>
</table>

**Figure 1.**

The story behind the matrix is the following. Assume that there are two firms that operate in the same region. The regional economy is closed to trade, so that neither imports, nor exports are allowed.
Each firm has two available actions: either to invest in a new factory (action ‘I’), or refrain from investing in production (action ‘N’). If a firm does not invest, the consumers self-produce its goods at home. We assume that each consumer spends exactly one half of his income on each good.

The firms are complementary in the sense that they create demand to each other. If both firms invest, the additional output is sold to the workers in the other firm and makes a profit of eight. If a firm invests and the other one does not invest, the former does not make money, since it cannot sell the increased output to consumers. If a firm does not invest in a new factory, it buys bonds that ensure an income of six.

Clearly, in this game, there are two (Nash) equilibrium points: (I,I) and (N,N). Indeed, if a firm invests (resp. not invests), the best reply of the other is also to invest (resp. not invest). These equilibria have very different meanings:

- Equilibrium (N,N) is related with economic stagnation, due to a ‘poverty trap’.
- Equilibrium (I,I) is related with regional growth following from productive investment.

Since there are two equilibria, each player is uncertain concerning the choice made by the other firm. It is necessary to select a single equilibrium by specifying the expectations of each firm on the other firm’s behaviour. Clearly, there are reasons to select either equilibrium point. A good treatment of this topic can be found in Cooper (1999).

- Equilibrium (I,I) is ‘dominant in profits’: no other outcome of the game gives each player a profit higher than this equilibrium point.
- Equilibrium (N,N) is ‘risk dominant’, i.e. it is based on the less risky (N) strategy. In order to realize this, notice that strategy (N) gives the certain profit six, while strategy (I) gives eight as a best result, and zero has a worst result. In the absence of sufficient information, the player assumes that the opponent assigns probability 1/2 to each one of his actions. Hence, the profit that is expected to result from (I) strategy is:

\[
8 \left( \frac{1}{2} \right) + 0 \left( \frac{1}{2} \right) = 4 < 6
\]

Figure 2.
Our problem was to determine under what conditions the two possible outcomes would arise. It was clear to us that this is related to the working of pre-play communication between the two firms. Were this communication bilateral and successful, then the firms would settle in the ‘profits dominant’ equilibrium, they would both invest and there would be regional growth. Otherwise, neither firm would invest, the result being economic stagnation.

Apart from Joana and I, the other group members are mainly interested in applied research. However, they have helped us in three different ways:

1. They reassured us that this approach to regional growth was both sound and insightful.
2. Being themselves applied researchers, they listed several examples that they freely associated with our theoretical model:
   - In international economics (made by Armando, a foreign co-author), a firm that invests abroad seeks to bring with it its suppliers of parts. For instance, this has happened with Japanese automakers in the US.
   - In European economics, negotiations around the European budget can be modelled as a coordination game. For instance, investments in high-speed rail lines in different countries are complementary on account of network externalities.
   - In regional economics, the rules for allocating structural funds (SFs) obey the condition of ‘collective efficiency’ (see Quadro de Referência Estratégica Nacional – QREN). This means that the efficiency of an investment that gets finance from SFs is not calculated in isolation, but as a part of the efficiency of a set of activities that form with it a regional cluster.

Not being very much acquainted with non-cooperative game theory, they suggested that a cooperative game approach would always lead to the outcome of investment and growth. Assume that the formerly independent firms are now part of a corporate group that chooses their actions in order to maximize the joint profit. The payoff matrix of the group is now:

<table>
<thead>
<tr>
<th></th>
<th>I</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row I</td>
<td>8+8=16</td>
<td>0+6=6</td>
</tr>
<tr>
<td>N</td>
<td>6+0=6</td>
<td>6+6=12</td>
</tr>
</tbody>
</table>

Figure 3.
It is clear that the group will set up two complementary factories, thus making a profit of 16. However, this solution will be unfeasible if the costs of negotiating a cooperative agreement between the two firms are prohibitive. Then, we have to resort to a non-cooperative solution. The explicit modelling of a pre-play negotiating stage seems necessary.

The Demise of the UrbanEcon Group
The UrbanEcon group lasted for about two years, between May 2012 and May 2014, the minimal duration of a Balint group. However, the working of the group was very different during the first and second years. In order to have an idea of this difference, we count the number of initial presentations by the group members during the first and second years. The number of initial presentations expresses also the degree of individual attendance of meetings, since the initial presenter was, as a rule (but there were exceptions), chosen among the members that were present in the latest group meeting.

<table>
<thead>
<tr>
<th>First Year</th>
<th>from 23/05/2012 to 29/05/2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Names</strong></td>
<td><strong>Number of presentations</strong></td>
</tr>
<tr>
<td>Elisabete</td>
<td>3</td>
</tr>
<tr>
<td>Isabel</td>
<td>0</td>
</tr>
<tr>
<td>João</td>
<td>3</td>
</tr>
<tr>
<td>Joana</td>
<td>2</td>
</tr>
<tr>
<td>Manuel</td>
<td>3</td>
</tr>
<tr>
<td>Pedro (group conductor)</td>
<td>3</td>
</tr>
<tr>
<td>Regina</td>
<td>4</td>
</tr>
<tr>
<td>Sérgio</td>
<td>0</td>
</tr>
<tr>
<td>Vítor</td>
<td>2</td>
</tr>
</tbody>
</table>

(1)

<table>
<thead>
<tr>
<th>Second Year</th>
<th>from 19/06/2013 to 13/05/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Names</strong></td>
<td><strong>Number of presentations</strong></td>
</tr>
<tr>
<td>Elisabete</td>
<td>0</td>
</tr>
<tr>
<td>Isabel</td>
<td>2</td>
</tr>
<tr>
<td>João</td>
<td>1</td>
</tr>
<tr>
<td>Joana</td>
<td>4</td>
</tr>
<tr>
<td>Manuel</td>
<td>1</td>
</tr>
<tr>
<td>Pedro (group conductor)</td>
<td>6</td>
</tr>
<tr>
<td>Regina</td>
<td>1</td>
</tr>
<tr>
<td>Sérgio</td>
<td>1</td>
</tr>
<tr>
<td>Vítor</td>
<td>1</td>
</tr>
</tbody>
</table>

(2)

Figure 4.
Comparing the data on presentations in figures (1) and (2), it is possible to conclude that the group only worked as a learning (Balint) group during the first year, when a true turn-taking pattern of initial presentations took place and there was a clear separation between the roles of group coaching and of presenter. During the first year, there was a remarkable degree of symmetry of the number of initial presentations by the group members and the group conductor was not the member with the highest number of initial presentations.

By contrast, during the second year, the group conductor was also the biggest presenter and the turn-taking structure vanished. The group worked as a series of lectures by myself (aided by Joana), with comments made by other members, rather than a participated learning group. Since the turn-taking structure was always formally maintained, this also meant that the group attendance fell sharply with the transition from the first to the second year: it was in average six to seven members in the first year and became about three to four during the second year.

The understanding of this kind of evolution can be easily attained if we bear in mind that in learning groups, such as the Balint group, members are complementary rather than rival, because each one has a different and personalized learning goal. The exchange of ‘incongruent information’ by fellow members creates an incentive for each member to reflect deeper about his own research subject.

As Thornton (2010) argues, the fact that the members of a learning should be complementary rather than rival, implies that in principle they should not be colleagues within the same organization but rather ‘related strangers’, i.e., they should belong to different organizations based in the same city.

Unfortunately, this requirement could not be met by the UrbanEcon group: five of the seven initial members were professors of SEM/UL. The potential rivalry among participants was initially hidden, but it arose suddenly with the public competitions for vacancies of associate professor in three scientific areas (microeconomics, macroeconomics and international and development economics) of the economics department of SEM/UL in January 2014.

The impact of the competition within the group followed from these facts:

- I was a member of the jury that promoted Joana but did not promote Manuel.
- Manuel and João failed to get promoted.
- As a consequence, João became depressed and left the group.
- Manuel introduced this competition to the discussion in one group session that took place in 22nd January 2014. But this was not sufficient
to heal the wounds of the group, which suffered the evolution shown in Figure 4, from the situation depicted in Figure (1) to the one depicted in Figure (2). A lesson to be considered in the future is that these kinds of discussion groups should have a diversified organizational composition in terms its members, rather than a concentrated membership.

This problem was further discussed in a seminar held on 16th June 2014, where I presented a former version of this article. This seminar was attended by the group members (with the exception of Regina) and also by a professional group analyst and coach, Ana. Further suggestions were given in order to prevent the fragmentation of the group following from competition for promotion within SEM/UL economics department:

1. Ana stressed that the coach should not be an economics professor, but rather an outsider to the economics college. This would allow him not to be involved in promotion decisions of the other group members. I replied that, in this eventuality, there should be enough funds to pay the coaching work. These funds are in practice non-existent nowadays.

2. The UrbanEcon group should be more similar to a learning team, endowed with a higher degree of correlation among the learning goals of the participants. For that purpose, the questions that are presented in the beginning of each session should be constrained to have a practical character, so that they would be found interesting enough by all members. I replied that some group members do theoretical research, which should not be excluded in principle from the working of UrbanEcon.

3. It was noticed that diversifying the composition of the group across different institutions would not prevent professional competition among the participants since nowadays competition is not bounded to the interior of an institution but it can be fierce even between researchers belonging to different organizations with a very similar specialization of their research work. I admitted that his is true. However, given the preference committees still give to in-house candidates, intra-institution competition outweighs inter-institution competition as the main form of rivalry among economics academic researchers.

Concluding Remarks
The learning group in regional economics works in a similar way to the Balint group. During a session, a problem is presented by a group
member, following a rotation or turn taking scheme. The other mem-
bers do not attempt to solve the problem by adding technical informa-
tion or through advice to the presenter. Instead, they explore its meaning
dealing with the issue as if it were their own problem. Hence, they
voice their (free) associations with the topic initially presented.

This kind of reflection helps the presenter because it forces him to
think further about the issue, thus monitoring and overriding, if needed,
the tendency to solve the problem in an automatic, pseudo-intuitive way.

Nevertheless, the UrbanEcon group bears some specific features if
compared with a medical group. Now the process is centred on scientific
research, rather than on human relationships, with the consequence that
the group’s working is more formal. The turn taking scheme is planned
in advance, rather than being spontaneous and made on the spot.
Technical information plays a more prominent role in the UrbanEcon,
leading to the fact that information in each session is backed by a written
note, which however is kept very small by the group leader.

Implicitly, the role played by the patient or selected clinical case in
the medical group is transposed here to the ‘invisible college’, the set
of scientific authorities in the specialized research field proper to
each group member. The group helps each member to heal his rela-
tionship with this set of scientific authorities through a transfer to the
‘visible college’ made by his fellow group members. This transfer
allows each participant to find a suitable balance between ‘ortho-
doxy’ and ‘originality’ for his research work.

The UrbanEcon group lasted for two years, the minimal duration
for this kind of group. However, it only worked as a true learning
group, with a turn-taking initial presentation structure, during the
first year. In the second year, a strong rivalry among the members
was introduced following from competition to vacancies of associate
professor in the economics department of SEM/UL. The attendance
fell sharply and the group degenerated in a series of lectures deliv-
ered by myself, with the assistance of Joana. Hence, a lesson for the
future is that the composition of this kind of learning groups should
be more diversified in terms of the organizations to which the mem-
bers belong. This would relax professional competition among the
group members, even if it does not suppress it completely.

Acknowledgements

A former version of this paper was presented as a communication to the 16th European
Symposium in Group Analysis, Lisbon, 28th July-1st August 2014, where Carmen O’
Leary responded. The author wishes to thank also Christine Thornton, César Vieira
Dinis and Ana Luísa Teixeira for their helpful comments.
Notes

1. Microeconomics differs from macroeconomics, which is concerned with the behaviour of aggregate variables, as the GDP, unemployment rate etc.

2. The Balint group is regarded as more time-saving than the action learning groups (see Thornton, 2010).

3. Some authors mention a range between six and 10. Others say that the group should be comprised by between eight and 12 members.

4. These are pure strategy equilibria. There is also a symmetric mixed strategy equilibrium, which we find unnecessary to mention.

5. Respectively.

6. One should be aware that some members (namely, Isabel and Sérgio only joined the group during the second year).

References


José Pedro Pontes is an economist and economics professor with a specialization in applied microeconomics and game theory at Lisbon School of Economics and Management, the University of Lisbon. He has practised psychoanalytic and group analytic treatment for many years. Since 2010, he became interested in the application of group analytic concepts to learning experiences by researchers at the Economics Institute of the University of Lisbon. Address: ISEG, Rua Miguel Lupi, 20, 1249-078 Lisbon, Portugal. Email: ppontes@iseg.ulisboa.pt