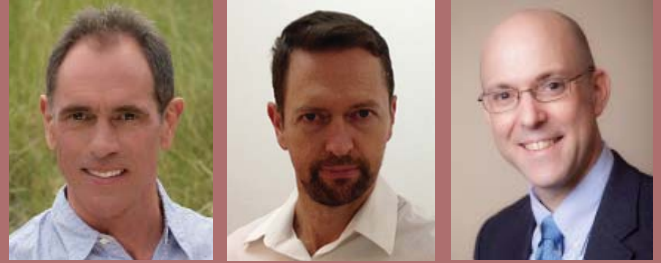


# OSTROM WORKSHOP COLLOQUIUM SERIES

**Lee J. Alston**  
**Bernardo Mueller**  
**Tomas Nonnenmacher**



“Institutions and Interest Groups:  
Economic and Political Performance”

**Monday, February 15, 2016**

12:00 – 1:00 p.m.

Ostrom Workshop, 513 N. Park

We analyze how institutions determine the emergence, organization, and strategies of interest groups, as well as their impacts on economic performance. In early self-interest models of interest group competition, legislators respond to the demand for redistribution so as to maximize their net political support. Adding institutional details about the supply of redistribution nests interest group competition in a web of principal agent relations characterized by information asymmetries that lead to second and third best outcomes. Interest group competition is a form of social choice over the allocation and redistribution of resources in society. As such, the process is subject to the instability and chaos results of Social Choice Theory. In most real-world situations, however, stability is achieved through institutions that delimit the choices and promote a structure-induced equilibrium. Interest group organization and strategies are thus crucially determined by the political institutions of the specific context. At the same time, interest groups can also try to change the rules of the game, in which case institutions become endogenous.



**Lee J. Alston** is the Ostrom Chair, director of the Ostrom Workshop, and professor of economics and law at IU Bloomington. **Bernardo Mueller** is associate professor, Department of Economics, University of Brasilia, and visiting scholar at the Ostrom Workshop. **Tomas Nonnenmacher** is the Patricia Bush Tippie Chair of Economics and department chair at Allegheny College and visiting scholar at the Ostrom Workshop.

Presentations are open to the public and are live streamed (see our website for URL and papers). You are welcome to bring your lunch, and refreshments will be available. For questions, contact Allison Sturgeon (sturgeon@iu.edu; 812/855-3151).