Preface

The world at the beginning of the twenty-first century is characterised by nearly borderless global economic activity with sovereign national states and multinational companies as the main global economic players in an international political–economic setting. There is no higher authority than a world government. With borders vanishing for transactions of goods, capital and knowledge the markets for these objects have been strongly subject to globalisation.

Sovereign states increasingly seem to run into problems – not only in regulating international economic activities for ensuring economic welfare but also in guaranteeing national security without cooperation with other sovereign countries. In this environment of globalised economies and national politics, sovereign states have to realise that an additional dimension of cooperation is necessary in order to ensure economic welfare and security in their societies. Using economic jargon the public hand has to be active when market failure occurs.

In an international political system without any superior authority, citizens depend on their national governments for the protection of their well-being. Therefore sovereign states remain the most important actors in the international political system. However, in order to effectively fulfil their function and provide essential services to the citizens, cooperation among sovereign states is not only useful but also necessary.

How to effectively and efficiently arrange cooperation with other sovereign states became an important problem of national politics, economics and security. International organisations (both governmental and non-governmental: NGOs), which have existed for more than a century, are one formal way of carrying out international cooperation to provide international (regional and global) public goods.

In the discussion about the necessary reforms, new ideas and research from independent institutions are necessary to overcome deadlocks and prisoner’s dilemma situations formed between the divergent interests of governments, bureaucracies, NGOs and special interest groups. The research on international institutions can also be viewed as a public good which the market supplies insufficiently.

Due to their importance, issues need to be studied theoretically as well as empirically. To carry out independent research on international institutions,
the Centre for the Study of International Institutions (CSI) was founded at the
Faculty of Social and Economic Sciences of the University of Innsbruck,
with financial support from the Oesterreichische Nationalbank.

An inaugural conference on ‘The Role of International Institutions in
Globalisation’ was held from 14 to 16 November 2001 in Innsbruck and
selected contributions are published in this book. We are indebted to the
authors who presented their papers at this conference for their outstanding
research work, which has provided essential studies on major issues concern-
ing international institutions and given rise to many suggestions for further
research.

We are also indebted to the Oesterreichische Nationalbank for financial
assistance to set up the Centre. Without this support it would not have been
possible to found the CSI.

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