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THE EURO CRISIS: A HISTORICAL PERSPECTIVE

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STRATEGIC UPDATE

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This paper sheds light on the current euro crisis by looking at the debates preceding the conception of the euro. How can the early days of EU monetary cooperation help us understand today's predicament? And what lessons can we draw from them for the euro?¹

Today's debates about the viability of the eurozone bear a striking resemblance with those about the creation of a European single currency in the late twentieth century. The early steps of European monetary cooperation, the negotiations over the creation of the European Monetary System (EMS), those over the creation of the euro, as well as the other plans suggested which eventually failed (the proposal for a European parallel currency for instance), help us better understand the challenges that the euro faces today. Many of the issues at stake then are indeed still central to debates now. The question of the transfer of resources from richer to poorer member states, the adoption of a German-inspired interpretation of monetary policy, to take but two examples, are issues that anyone reading today's newspapers will be familiar with. This paper argues that looking at these past debates do not just provide an insight into the past – but also helps us better understand our current predicament.

The dual source of European monetary unification

The eurozone is today criticised for some faults of conception. But what was the rationale behind the search for monetary stability – and the creation of a single currency – in Europe? Two major sources of European monetary unification can be identified: the need to consolidate the common market and the affirmation of Europe.

¹ I wish to thank the organisers and participants of the Tsuda College Open Lecture Series in Tokyo, and of the Jean Monnet Lecture Series in Aarhus University (Denmark), where I presented some of my ideas earlier this year, as well as Liz Benning, Nick Kitchen and Angela Romano for their comments.

The European Economic Community (EEC), the predecessor of today's European Union (EU) was created in 1957.² At its core was the establishment of a common market. The EEC focused on the establishment of four freedoms within it, namely the free movement of goods, capital, services and people. Monetary fluctuations were quite obviously potentially harmful, as they could provoke severe trade distortions among the different members of the zone. If, for instance, the currency of country A is revalued while that of a country B is devalued, the products of country A will comparatively become more expensive in country B, and the exporters of country A will fear losing markets in country B. Were such a monetary instability to last, the government of country A may well consider erecting trade barriers, so as to compensate for country B's comparative advantage taken from its devalued currency. This would obviously run against the basic rationale of the common market, and simply threaten to put an end to it. And it must be remembered that at the time when monetary fluctuations considerably increased – in the late 1960s and early 1970s – the EEC's internal customs union was still very young: it had only been achieved in 1967. Besides the customs union, the EEC of the 1960s had a flagship policy: the common agricultural policy (CAP).³ This system of agricultural protection and subsidy, entered into force in 1962, had one important feature: the establishment of common price levels for agricultural products. It is again easy to foresee how complex life would become with such a common price in the event of monetary fluctuations.

And here indeed was the key: all these early developments of European integration happened in a monetary cocoon, that of a stable Bretton Woods system. The common market and the CAP were not endangered by the theoretical risk of monetary fluctuations since it was yet still largely inexistent – or at the very least under control. Conversely this meant that once the international monetary system entered into crisis, the entire EEC system threatened to collapse. Hence, if increased monetary cooperation was perhaps desirable in itself, and if some dreamed of a future European single currency, the need to protect the achievements of the EEC – the common market and the CAP in particular – constituted the decisive trigger for action. On various occasions in the 1960s, 1970s and 1980s, ingenious plans were thus devised in order to improve European economic and monetary cooperation: the Barre memoranda in the 1960s; the Werner plan in the early 1970s calling for the creation of an Economic and Monetary Union in three stages, and contributing to the inception of the so-called 'snake' (a mechanism whereby currencies were allowed to fluctuate within limited margins), the European monetary system (EMS) from 1979 onwards; as well as various plans suggesting the inception of a parallel currency (the 1975 All Saints' Day Manifesto of *The Economist* for instance).⁴ They all shared a similar concern: that of stabilising monetary relations in Europe, and thereby stabilising the EEC itself. But why did monetary cooperation, from the late 1970s onwards, manage to become one of the flagship endeavours of the EEC/EU, if not of European integration as such? The answer lies in the political impetus associated with European monetary integration.

2 Dinan, D. *Europe Recast. A History of the European Union*. Basingstoke: Palgrave Macmillan, 2004.

3 Knudsen, A-C. *Farmers on Welfare. The Making of Europe's Common Agricultural Policy*. Ithaca: Cornell University Press, 2009.

4 Ungerer, H. *A concise history of European monetary integration, from EPU to EMU*. Westport Conn.: Quorum Books, 1997.

The second major source of European monetary unification in the second half of the twentieth century was the affirmation of the EEC on the international scene. In the late 1960s and early 1970s, the decision to prioritise EMU partly came from the perceived need for a new bold step in European integration. The EEC heads of government, on the occasion of The Hague summit in December 1969, thus decided to set up the Werner Committee in order to discuss EMU plans further.⁵ Similarly, the creation of the EMS had a lot to do with the affirmation of Europe as an international actor. Confronted with perceived US economic and monetary mismanagement, the EEC decided to respond at the regional level. Facing the fall of the dollar, Helmut Schmidt, the then West German Chancellor, thus declared that it was “urgently necessary that the Europeans say to the Americans, that’s not going to carry on.”⁶ The West German Chancellor managed to convince his European partners that the creation of a European monetary bloc would contribute to improving monetary stability in spite of transatlantic tensions. Finally, all the debates linked to currencies in the EEC, from the obscure units of accounting used for CAP purposes to the ECU and the euro, were all strongly related to questions of European identity. A distinct organisation such as the EEC/EU, it was often purported, needed to assert its identity by having its own currency.⁷

But the affirmation of Europe as an international actor was not only a voluntary move. Quite often, external crises spurred European (re-)action. As mentioned above, West German perception of US economic and monetary mismanagement in the late 1970s convinced Helmut Schmidt that a move at the European regional level was necessary, yet prior to this external trigger for action, the West German Chancellor was little interested in taking a step further in European monetary cooperation. Even earlier, the collapse of the Bretton Woods system in the early 1970s both condemned the implementation of the Werner plan and rendered even more salient the need to stabilise monetary relations in Europe. A near-fixed exchange rate system such as the snake, the economic development of which members often differed greatly over, could not work amidst strong international monetary fluctuations; but these strong fluctuations further stressed the need to have a zone of monetary stability in Europe, so as to protect, among others, its trade and its agricultural policy. These two dimensions were well summarised by Valéry Giscard d’Estaing, then French Finance Minister, in January 1974:

“If the international monetary system was itself based on fixed exchange rates and on currency convertibility the problem would have been much less acute. You know that there has been a historical co-incidence between the progressive

5 Ibid.

6 Margaret Thatcher Archive, Bundesbank Council Meeting with Chancellor Schmidt, 30 November 1978, available at <http://www.margaretthatcher.org/document/111554>, accessed 8 June 2011.

7 Clavert, Frédéric. “Une identité monétaire européenne?”, in Marloes Beers and Jenny Raflik (eds), *National Cultures and Common Identity. A Challenge for Europe?* (Brussels: Peter Lang, 2010), pp.39-46.

organisation of economic and monetary union in Europe and the progressive dislocation of the international monetary system.”⁸

European monetary unification had thus two clear incentives: the consolidation of the EEC and the affirmation of Europe as an international actor. But as in any plan for monetary union, the crux of the problem rests on the question of the economic convergence of its members. How did the EEC plan to cope with this?

Well before the creation of the euro, an important academic debate developed concerning monetary unions, that of the so-called Optimum Currency Areas (OCAs). The start of the OCA debate is usually associated with the publication of Robert Mundell’s eponymous article in the early 1960s.⁹ As its name suggests, the OCA debate is about determining in what areas would the use of a common currency be optimum. Put differently: in what group of countries would the use of a common currency produce no decline in well-being? Robert Mundell identified two factors helping to identify such an area: the mobility of the factors of production (labour and capital) and the symmetry of external shocks (i.e. the entire group of countries must receive identical shocks). Subsequently, other authors added new factors to this list. To name but a few, Ronald McKinnon stressed the openness of the economy, Peter Kenen the diversification of production, James Ingram the financial dimension, Gottfried Haberler and Marcus Fleming the convergence of inflation rates.¹⁰ The extent to which Europe forms such an OCA, then and now, gave birth to endless and passionate debates. Whatever the conclusion one may draw while examining these criteria, the OCA debate highlights the profound implications of a full monetary union, in particular in fiscal and budgetary terms. And it is not certain that European policy-makers – then and now – while talking about the desirability of EMU or the future of the euro, had and have ever realised its full implications.

Convergence before the euro

It is clear, however, that from the very beginning the EEC represented an imperfect OCA. And in order to render the EEC/EU a more ‘optimal’ currency area, policy-makers have attempted to improve European cooperation in two different ways: technical and political.

8 Archive du Ministère des Affaires étrangères, DAEF, Box 971bis, “Les étapes et les difficultés de l’organisation monétaire de l’Europe”, Speech of Valéry Giscard d’Estaing, 25 January 1974. My translation.

9 Mundell, R. “A Theory of Optimum Currency Areas”. *The American Economic Review*, Vol.51, n°4, September 1961, pp.657-665.

10 McKinnon, R. “Optimal Currency Areas”. *American Economic Review*, Vol. 53, September, pp.717-724; Kenen, P. “The Theory of Optimum Currency Areas: An Eclectic View”, in R. Mundell and A. Swoboda (eds), *Monetary Problems of the International Economy* (Chicago: University of Chicago Press, 1969); Ingram, J. “Comment: The Optimum Currency Problem”, in R. Mundell and A. Swoboda (eds), *Monetary Problems of the International Economy* (Chicago: University of Chicago Press, 1969); Haberler, G. “The International Monetary System: Some Developments and Discussions”, in George N. Halm (ed), *Approaches to Greater Flexibility of Exchange Rates*, (Princeton: Princeton University Press, 1970) and Fleming, M. “On Exchange Rate Unification”, *Economic Journal*, Vol. 81, September 1971, pp. 467-488.

Albeit not necessarily consciously, various mechanisms have been created in order to render the economic development of the EEC/EU more even – and thereby the use of a single currency more optimal. Structural policies represent a first direct attempt at balancing the development of European economies. The European Investment Bank, created in 1958, is the EU's lending institution, financing projects mostly in economically weak EU countries by borrowing on the capital markets. The CAP in the 1960s or the regional fund in the 1970s are two examples of policies aimed at creating mechanisms for financial redistribution in the EEC/EU. The negotiations for the creation of the EMS, in the late 1970s, was an even more typical example of this.¹¹ The EMS negotiations were indeed split into two legs: one strictly monetary – the design of the future exchange rate mechanism (ERM) – and one economic – the so-called 'concurrent studies'. The latter were started at the insistence of those countries (chiefly Britain, Ireland and Italy) which were not sure of being able to maintain their currencies within the EMS because of their weaker economies, in comparison to others (chiefly Germany and the Netherlands). The 'concurrent studies' discussed the possibility of increasing the actual transfer of resources in the EEC from richer to poorer member states. Overall however, the concurrent studies produced no significant results. Crux was that the potential contributors – chiefly Germany – were not willing to pay. But the 'concurrent studies' did highlight the perennial tension between monetary unification and economic convergence. And they also underline that our current predicament was already a cause of concern and a source of inaction forty years ago. A second category is made of larger projects aimed at furthering economic development within the EEC. The single market project, initiated in the mid-1980s, was typical. The aim behind the removal of non-tariff barriers was to intensify the economic development of the EEC as such (through more intense competition), and over time render it more balanced across its members.¹² A third category concerns actual financial mechanisms aimed at supporting European monetary cooperation. These could be mere swap agreements between central banks, or the inception of new institutions (the European monetary cooperation fund – often known under its French acronym, FECOM – or the stillborn EMF (European monetary fund) that was supposed to have been created two years after the EMS' inception).

These mechanisms – structural, competition, financial – were thus aimed at protecting and improving the development of the EEC, in an economic and technical sense. Politically and institutionally, the 1970s also witnessed the creation of a new institution which would play a considerable role in European integration, namely the European Council. In December 1974, gathered in Paris, the EEC heads of government decided that from then on they would meet three to four times a year as the European Council.¹³ The idea was not only to give a new impetus to European integration, but also to create an institution where the economic and the political could meet. Up to that point the EEC was, to paraphrase Hayward, 'leaderless'.¹⁴ The creation of the European Council sought to fill this leadership

11 Mourlon-Druol, E. *The Emergence of a European Bloc? The Origins and Creation of the European Monetary System*. Ithaca: Cornell University Press, forthcoming.

12 Ludlow, P. "From Deadlock to Dynamism. The European Community in the 1980s", in Desmond Dinan (ed), *Origins and Evolution of the European Union*, (Oxford: Oxford University Press, 2006), pp.218-232.

13 Mourlon-Druol, E. "Filling the EEC leadership vacuum? The Creation of the European Council in 1974". *Cold War History*, 2010, vol. 10, n°3, pp.315-339.

14 Hayward, J. *Leaderless Europe*. Oxford: Oxford University Press, 2008.

vacuum, and also to ensure overall consistency in the development of European integration. Importantly, the European Council provided, on significant occasions, the decisive political impulse to some European initiatives. Most famously, it played a central role in the EMS negotiations, and later in the creation of the euro.¹⁵ The emergence of the European Council had two important consequences. First, its political impetus managed to sustain the belief, now and then, that monetary integration was the only way to further European integration. Jacques Rueff, a French economist, once famously quipped that “Europe will be made through a common currency or will not be made.”¹⁶ Be it true or not, be it sensible or not, this belief is one of the central motivations of European monetary developments. Jean Lacouture, one of François Mitterrand’s biographers, thus summarised the French president’s choice to leave or stay in the EMS in 1983 as “socialism or Europe.”¹⁷ The equation was that the EMS is Europe. Another important consequence of this belief was to narrow down the options on the road to a monetarily integrated Europe. From the 1970s onwards, the central idea was that the only way to integrate Europe monetarily was through the narrowing of exchange rates. Yet, other options existed at the time – like that of creating a European parallel currency – but were not given the same attention. Until the creation of the euro therefore, the convergence of European economies was sought through various economic, financial, political and institutional means, but not fully achieved.

Yet, in spite of these attempts, the EEC/EU remained an imperfect OCA. More problematic, the mechanisms devised in order to palliate these imperfections remained limited. Before the creation of the euro, there still existed no significant transfer of resources from richer to poorer EEC/EU member states: the EEC/EU budget was around 1%. The very modest increase in the size of the EEC budget recommended in the late 1970s by the MacDougall Report on the role of finance in European integration – “from 0.7% to around 2-2.5%” – was never followed.¹⁸ There existed, however, an old debate on this question: the so-called economists versus monetarists wrangle. The ‘economists’ considered that economic convergence should happen before actual monetary integration. The ‘monetarists’ – not to be confused here with Milton Friedman’s monetarism – believed just the contrary: monetary integration would act as a trigger for economic convergence in the EEC/EU. Has this proved true?

Convergence since the euro

Or put it differently: is the eurozone today an OCA? Let’s come back to the various criteria outlined above. Financial integration, the mobility of capital and the convergence of inflation rates have been fully achieved. The first two have largely been put into practice following a strict implementation of the Treaties of Rome, while the last has been achieved in the past twenty years. To be sure, inflation rates are not identical across the EU. But

15 Marsh, D. *The Euro. The Politics of the New Global Currency*. New Haven: Yale University Press, 2009.

16 Rueff, J. “L’Europe se fera par la monnaie ou ne se fera pas”. *Revue Synthèses*, n°45, 1950.

17 Lacouture, J. *Mitterrand. Une histoire de Français, vol. 2, Les vertiges du sommet*. Paris: Éditions du Seuil, 1998, p.59.

18 Commission of the EEC, Report of the study group on the role of finance in European integration (so-called “MacDougall Report”), April 1977.

these differences are minimal compared to those of the 1970s. In 1975 for instance, inflation was in average 11.75% in France, 24.11% in Britain, 17.24% in Italy and 5.91% in Germany. In 2010 it was 1.53% in France, 3.29% in Britain, 1.52% in Italy and 1.14% in Germany. We moved from a double-digit/one digit difference to a very trivial one.

Many other OCA criteria remain, however, unfulfilled. If the mobility of workers exists in theory, it is very low in comparison to other monetary unions, like in the US for instance. In 2005, 2.5% of working age population in the US moved between states, while the figure in the EU was about 0.1%.¹⁹ This can certainly be explained by many reasons, including culture, traditions, language and social protection, but it remains a drawback for a zone sharing a single currency. The EU's budget is still extremely low, around 1% of the Union's GDP (a figure which is again very low in comparison to the US federal budget, of about 20%). As a consequence, very little spending exists on redistribution/stabilisation mechanisms across the EU. True, as explained above, money is spent on the CAP, on the regional fund and on other various projects. But there is still no significant help for a region facing a sudden economic crisis. Finally, and perhaps most importantly, there is still no fiscal integration.

As a consequence, the achievements of European integration are still imperfectly secured. Of course, the CAP and the single market have now been safely protected by the inception of a single currency. But this single currency is itself still very imperfectly protected. The creation of the European Financial Stability Facility (EFSF) on 9 May 2010 was a first concrete attempt. This new entity is aimed at preserving financial stability in the EU by providing financial assistance to eurozone members in difficulty. But it only works when a member cannot borrow on markets at acceptable rates, and its tenure is for three years (or the maturity of the financing instruments).²⁰ And whilst the European Commission suggested (once more) a reinforcement of economic policy coordination in the EU a few days later, there is, however, still no prospect of an increase in the EU's budget.²¹ Moreover, if the issue of fiscal integration is often raised, the recent Irish crisis has given a good example that a harmonisation was still unlikely. Even under strong pressure from its EU counterparts, the Irish government refused to raise its rate of corporation tax.

In parallel, the political dimension outlined above has evolved significantly since the early days of the European Council in the mid-1970s. The potential political leadership provided by the European Council is still there. Importantly, it has been reinforced by the Lisbon Treaty which created the post of President of the European Council, and contributed, in more general terms, to the overall strengthening of this institution. And crucially, the current euro crisis has shown that the single currency is still considered to be the cornerstone of European integration. In December 2011, during his traditional New Year's address, Nicolas

¹⁹ See European Commission, DG Employment, Social Affairs and Equal Opportunities, "Geographic Mobility in the European Union: Optimising its economic and social benefits," April 2008, pp.28-29.

²⁰ See <http://www.efsf.europa.eu/about/key-figures/index.htm>, accessed 8 June 2011.

²¹ Communication of the Commission, "Reinforcing economic policy coordination", 12 May 2010, [http://ec.europa.eu/economy_finance/articles/euro/documents/2010-05-12-com\(2010\)250_final.pdf](http://ec.europa.eu/economy_finance/articles/euro/documents/2010-05-12-com(2010)250_final.pdf), accessed 8 June 2011.

Sarkozy thus solemnly declared: “The end of the euro would be the end of Europe.”²² A similar idea was sustained by the highest political authority of the post-Lisbon EU. In November 2011, Herman Van Rompuy, president of the European Council, declared that “we must all work together in order to survive with the eurozone, because if we do not survive with the eurozone, we will not survive with the European Union.”²³

Yet this potential leading role of the European Council did not go without problems and inconsistencies. For a start, the existence of a President of the European Council does not seem to have significantly improved the situation. His role in the crisis remains obscure – if not simply secondary, the leading actors being the heads of government, and in particular the Franco-German tandem – and Herman Von Rompuy himself, is still next to unknown to the vast majority of the EU’s inhabitants. Most importantly, the inconsistency of public declarations at the end of European Councils have arguably proved devastating. Back in 2010, during the European Council on 28-29 October 2010, EU heads of government discussed the possibility of restructuring the debt of a member state (against the wish of Jean-Claude Trichet, head of the European Central Bank).²⁴ A panic in the markets logically ensued in the belief that a restructuring was imminent and resulting in the sale of mainly-Irish bonds. A mismanaged discussion of European monetary problems thus proved to be the cause for further monetary problems. True, this merely reflected legitimate disagreements, in particular between heads of government and the ECB. But it also underlined the perverse effect of a discussion in the European Council, which in that case had a multiplier effect. A consequent, consistent and careful leading role of the European Council has still not yet been achieved.

22 See Voeux de M. le Président de la République, 31 December 2010, available at: http://www.elysee.fr/president/les-actualites/discours/2010/voeux-de-m-le-president-de-la-republique.10313.html?search=Europe&xtrmc=la_fin_de_l_euro_serait_la_fin_de_l_europe&xcr=2, accessed 8 June 2010. My translation.

23 “Ireland crisis could cause EU collapse, warns president”, *The Guardian*, 16 November 2010.

24 Quatremer, J. “Restructuration des dettes publiques: les Européens calment la panique des marchés,” 12 November 2010, available at: <http://bruxelles.blogs.liberation.fr/coulisses/2010/11/restructuration-des-dettes-publiques-les-europeens-calment-la-panique-des-marchés.html>, accessed 8 June 2011.

Conclusions

The earlier debates in Europe about the creation of a single currency bear a striking resemblance with those we are witnessing today. Now as in the 1970s or even earlier, the crux of the problem rests on how to render economic and monetary policies consistent. This is also called “policy mix”: the mix of budgetary policy and monetary policy. The EU has so far focused on the other leg of EMU credibility, that is the independence of the central bank. As the OCA theory underlined however, economic policies – but also fiscal ones – should be consistent with the monetary system in operation. The debate had already appeared in the late 1970s, during the creation of the EMS, but failed in creating any significant mechanism. At that time many countries – including France and Italy – saw in the euro the creation of a tool capable of providing greater stability and reliability of their own domestic policy. It did work, but only to an extent, as their economic policies are not yet fully compatible with the supranational monetary one. Yet one should certainly not only look at the borderline cases – or the PIGS, as the Portugal-Ireland-Greece-Spain quatuor has infamously been dubbed – but also at the head of the class: Germany. Is the German economic model, export-led, really applicable to all other eurozone members? Is it desirable or even simply feasible? And in order to improve the consistency of EU monetary and economic policies, will any significant mechanisms for EU financial redistribution be at long last created?

Should all these difficulties lead one to conclude that the eurozone is doomed to fail? As Barry Eichengreen has argued, a breakup of the eurozone – or the event of one member leaving it – is unlikely.²⁵ This is certainly not to say that the euro is perfect. Rather, it is trying to imagine what would happen were a country to leave the euro. And here the costs seem to clearly outweigh the benefits. Eichengreen identifies economic costs (capital flight, financial crisis, increased borrowing costs, inflation), political costs (second-class member of the EU, even perhaps membership of the EU called into question) and procedural costs (linked to the reintroduction of the national currency and the redenomination of all contracts: one must remember the long planning which preceded the introduction of the euro). Solving the eurozone’s problems will undoubtedly be long and complex. This brief survey of previous debates about monetary cooperation in Europe has somewhat pessimistically shown that lessons have rarely been learnt. We are still far away from the modest 2% EU budget advocated by the MacDougall report about 40 years ago. And even that alone would not be sufficient. Structural reforms in individual member states, perhaps the restructuring of its sovereign debt, the attempt to make an internal devaluation within the eurozone, or the reinforcement of the euro’s governance as Trichet has recently argued, are all potential options.²⁶ Previous debates about monetary cooperation in Europe have not only shown the advantages of a single European currency, but also the political importance of the European idea attached to it.

²⁵ Eichengreen, B. NBER Working Paper, the Breakup of the Euro Area, 2007.

²⁶ Trichet, J-C. “Construire l’Europe, bâtir ses institutions”, Intervention à l’occasion de la remise du Prix Charlemagne 2011 à Aix-la-Chapelle, 2 June 2011, available at <http://www.ecb.int/press/key/date/2011/html/sp110602.fr.html>, accessed 8 June 2011.

It is not sustainable for countries with so diverse economies and structures to share a single currency. And since they now share it, and that it would be more costly to leave it than to remain in it, economic convergence is urgently needed. This means further harmonisation of fiscal policies, economic policies, and social policies. To be sure, this is a very difficult problem, capable of raising endless political disputes, and unlikely to be resolved painlessly overnight. And here lies probably the most perverse effect of the single currency: it has provided the illusion that the problem of inconsistent economic and monetary policies had disappeared. All of a sudden, we seem to have re-discovered it with the euro crisis, confirming that when it comes to understanding our current economic and monetary predicament, history should be used as much as economics.

Glossary

CAP	Common Agricultural Policy
EEC	European Economic Community
ECB	European Central Bank
ECU	European Currency Unit
EIB	European Investment Bank
EFSD	European Financial Stability Facility
EMF	European Monetary Fund
EMU	Economic and Monetary Union
ERM	Exchange Rate Mechanism
EU	European Union
FECOM	Fonds européen de coopération monétaire (European Monetary Cooperation Fund)
OCA	Optimum Currency Area

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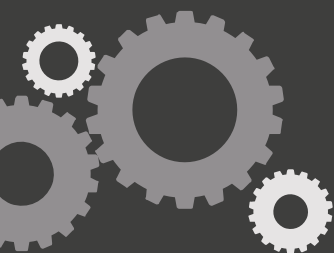
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This paper sheds light on the current euro crisis by looking at the debates preceding the conception of the euro. How can the early days of EU monetary cooperation help us understand today's predicament? And what lessons can we draw from them for the euro?



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