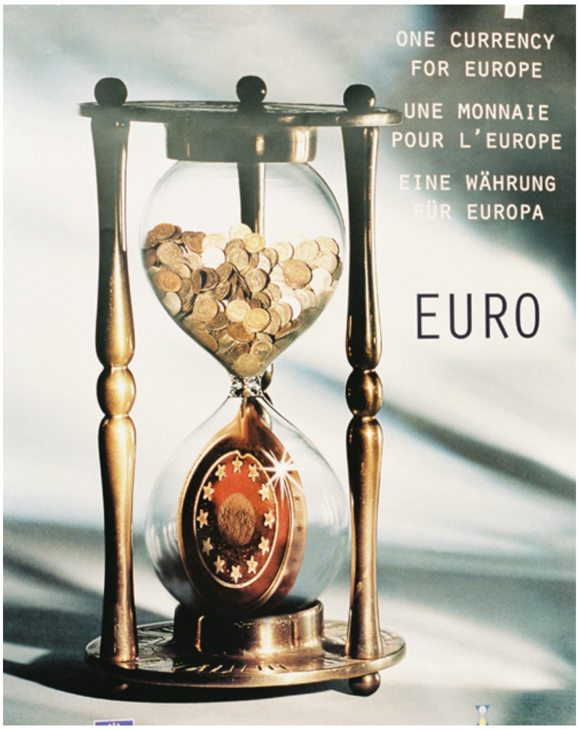
GERMAN HISTORY IN DOCUMENTS AND IMAGES

One Currency for Europe (October 10, 1996)

Abstract

In the Treaty on European Union (TEU), the member states of the European Community agreed on a three-step plan for the realization of the European Economic and Monetary Union. The first step entailed the liberalization of capital flow and the coordination of the economic policies of the member states. The second step, due to start on January 1, 1994, called for the establishment of a European Monetary Institute (EMI) comprised of the presidents of the member states' central banks. In order to guarantee the stability of the common currency, it also imposed convergence criteria on potential participant states (e.g. price stability and restrictions on new public debt). The third step foresaw the introduction of the common currency by January 1, 1999, at the latest. Additionally, a new European Central Bank was to be set up to assume the tasks previously performed by the EMI. The European Council explicitly defined the convergence criteria in the Stability and Growth Act of 1997. The German federal government and the German Central Bank had a strong influence on the determination of these steps, particularly on the definition of the convergence criteria. This promotional poster for the common currency, the Euro, is supposed to show that, over the course of time (hourglass), the different European currencies (coins) would merge to form a stable single currency.

Source



Source: Bildarchiv, B 145 Bild-00162726 REGIERUNGonline/Schambeck

Recommended Citation: One Currency for Europe (October 10, 1996), published in: German History in Documents and Images,

<https://germanhistorydocs.org/en/a-new-germany-1990-2023/ghdi:image-3406> [May 12, 2024].