

Contents

<i>List of figures</i>	vii
<i>List of tables</i>	ix
<i>Preface</i>	xi
1 The euro in 2008	1
2 Historical background	3
The rocky road to monetary union	3
The decision in Maastricht	9
The convergence process	13
Farewell to the national currencies	20
The countdown begins	25
The euro area	43
3 The ECB and the foundations of monetary policy	52
The Statute	52
The decision-making bodies	66
Preparations for the single monetary policy	76
Monetary policy options	86
The ECB's stability-oriented monetary policy strategy	131
The instruments of monetary policy	118

## vi • Contents

4	The ECB – monetary policy for a stable euro	131
	Orientations in the ECB Governing Council	131
	Assuming responsibility for monetary policy	135
	Monetary policy success: a stable euro	141
	Monetary policy-making in the ECB Governing Council	146
	Transparency, communication, accountability	156
	Monetary policy and the exchange rate	169
	The euro as an international currency	176
	Economic theory and monetary policy practice	184
5	The central bank and monetary policy in the EMU	
	framework	191
	Fiscal and monetary policy in EMU	192
	Policy coordination in EMU	200
	Does one size fit all?	207
	The enlargement of the euro area	219
	Monetary union without political union?	227
6	Europe at the crossroads	237
	<i>Index</i>	245